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THE STATE OF SOUTH CAROLINA
In the Court of Appeals

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SC Court of Appeals

APPEALS FROM DORCHESTER COUNTY
Court of Common Pleas

The Honorable James E. Chellis
Master of Equity

Appellate Case No. 2014-002633

Stephen Dudek, Doreen Cross, Respondents,

v.

Thomas M. Ferro and Lorraine B. Ferro, Appellants.

And

Molly M. Morphew, Appellant,

v.

Stephen Dudek, Doreen Cross, Thomas Ferro and Lorraine Ferro, Defendants,

Of whom Stephen Dudek and Doreen Cross are Respondents.

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FORM 4

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

JUDGMENT IN A CIVIL CASE
CASE NUMBER 2013CP1800183

CERTIFIED COPY
2014 NOV -6 PM 12:58
CLERK OF COURT
DORCHESTER COUNTY

PLAINTIFF(S)	DEFENDANT(S)
Molly M Morphew	Thomas Ferro Stephen Dudek Lorraine Ferro Doreen Cross
Submitted by:	Attorney for: ☐ Plaintiff ☐ Defendant ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

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

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

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

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

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

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

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

ORDER INFORMATION

This order ☒ ends ☐ does not end the case.
Additional Information for the Clerk: _____

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

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)

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

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

Jenny A. Kitts

Master in Equity | **3078** (Judge Code) | 11/6/2014 (Date)

CPFORM4Cm
SCCA SCRCP Form 4C (Revised 3/2013)

For Clerk of Court Office Use Only

This judgment was entered on **November 6, 2014**, and a copy mailed first class or placed in the appropriate attorney's box on **November 6, 2014**, to attorneys of record or to parties (when appearing pro se) as follows:

John A. Massalon PO Box 859 Charleston, SC 29402

David A. Collins PO Box 40578 Charleston, SC 29423
Thomas Ferro 788 East Butternut Road Summerville, SC 29483
Lorraine Ferro 788 East Butternut Road Summerville, SC 29483

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Cheryl J. Graham

Court Reporter

Cheryl Graham - Clerk of Court

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

This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

STATE OF SOUTH CAROLINA

COUNTY OF DORCHESTER

IN THE COURT OF COMMON PLEAS
FIRST JUDICIAL CIRCUIT
EQUITY DIVISION

Civil Action No.: 2013CP1800074
consolidated with Civil Action No. 2013CP1800183

Stephen Dudek, Doreen Cross,
Plaintiffs

Versus

Thomas M Ferro, and Lorraine B Ferro,
Defendants

AND

Molly M Morphew,
Plaintiff

Versus

Stephen Dudek, Doreen Cross, Thomas Ferro and Lorraine Ferro,
Defendants

ORDER

CERTIFIED
2014 NOV -6 PM 12: 58
CLERK OF COURT
DORCHESTER COUNTY

Presiding Judge: James E. Chellis
Master in Equity

June 11, 2014 and Thursday, June 12, 2014

Appearances:

For Plaintiff Morphew:
Wills Massalon & Allen, LLC
John A. Massalon, Esquire
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P. O. Box 859
Charleston, South Carolina 29402

For Defendants :Dudek & Cross
Law Firm of David A. Collins, LLC
David A. Collins, Esquire
P. O. Box 40578
Charleston, South Carolina 29423

Defendants:
Thomas M Ferro and Lorraine B Ferro, Defendants,
Pro Se

Emily R. Mirek, Court Reporter and Notary Public

PREFACE

This is a breach of contract action. Plaintiff Morphew seeks enforcement of a contract for the purchase of real estate she entered into with Defendants Ferro on December 16, 2012 (the Morphew Contract). Defendants Dudek and Cross seek enforcement of a contract for the purchase of real estate they entered into with Defendants Ferro on October 23, 2012 (the Dudek/Cross Contract). The real property described in each contract is the same. It consists of a residential property on 6.006 acres near Summerville (the Real Property) Plaintiff's Exhibit 23, cf. endnote 10). All parties agree the residential real property is unique. All Parties agree both contracts are unambiguous.

Plaintiff Morphew and Defendants Ferro assert the latter contract, the first contract, is not enforceable. Plaintiff Morphew and Defendants Ferro assert Defendants Dudek and Cross failed to meet conditions of their contract in a timely manner. Plaintiff Morphew alternatively seeks damages against Defendants Ferro on breach of the Morphew Contract should the Court direct the specific performance of Dudek/Cross Contract. Hence, Defendants Ferro champion the Morphew Contract. As such, Plaintiff Morphew and Defendants Ferro have consistent positions on the Dudek/Cross Contract. The latter consistent positions diverge on the issue of Defendants Ferro's breach of the Morphew Contract.

This Court finds Plaintiff Morphew and Defendants Ferro consistent position untenable. The Dudek/Cross Contract is enforceable. This Court will order specific performance of that contract. The Morphew Contract is contingent on termination of the Dudek/Cross Contract. Hence, this Court will declare that contract enforceable only if Defendants Dudek and Cross fail to complete the performance of the Dudek/Cross Contract as ordered by this Court. Since the Dudek/Cross Contract is enforceable subject to conditions, this Court will fashion the remedy of specific performance giving due regard to the conditions, the time for completion of which will need to be reset, since the conditions are reasonably designed to protect all parties to the Contract. Plaintiff Morphew has a conditional contract that is not enforceable unless Defendants Dudek and Cross elect to terminate the contract as directed to be specifically performed. The Court's analysis follows.

GUIDING PRINCIPALS OF LAW & EQUITY

This Court is guided by many principals of law and equity. These guides include the following:

1. It is not the province of the courts to construe contracts broader than the parties have elected to make them or to award benefits where none was [sic] intended. Stewart v. State Farm Mut. Auto. Ins. Co., 341 S.C. 143, 151, 533 S.E.2d 597, 601 (2000).
2. The judicial function of a court of law is to enforce a contract as made by the parties, and not to rewrite or to distort, under the guise of judicial construction, contracts, the terms of which are plain and unambiguous. Hardee v. Hardee, 355 S.C. 382, 387, 585 S.E.2d 501, 503 (2003).
3. The law by which a contract is to be governed, is resolved into the terms whereby it is entered into; provided that the contract be consistent with morality and not repugnant to law or the principles of public policy. *Satterwhite's Adm'rs v. McKie*, 16 S.C.L. 397, 398 (S.C. Const. App. 1824).
4. Where a contract's language is plain and unambiguous, the language used by the parties "determines the instrument's force and effect." Jordan v. Sec. Group, Inc., 311 S.C. 227, 230, 428 S.E .2d 705, 707 (1993).
5. A court reviewing a written contract must discern:
   [T]he intention of the parties and the meaning[, which] are gathered primarily from the contents of the writing itself, or, as otherwise stated, from the four corners of the instrument, and when such contract is clear and unequivocal, its meaning must be determined by its contents alone; and a meaning cannot be given it other than that expressed. Hence words cannot be read into a contract which import an intent wholly unexpressed when the contract was executed. *McPherson v. J.E. Sirrine & Co.*, 206 S.C. 183, 204, 33 S.E.2d 501, 509 (1945); *see also ERIE Ins. Co. v. Winter Constr. Co.*, 393 S.C. 455, 460, 713 S.E.2d 318, 321 (Ct.App.2011) ("It is not the function of the court to rewrite contracts for parties."). "Where an agreement is clear and capable of legal interpretation, the court's only function is to interpret its lawful meaning, discover the intention of the parties as found within the agreement, and give effect to it." *Heins v. Heins*, 344 S.C. 146, 158, 543 S.E.2d 224, 230 (Ct.App.2001). *Park Regency, LLC v. R & D Dev. of the Carolinas, LLC*, 402 S.C. 401, 412-13, 741 S.E.2d 528, 534 (Ct. App. 2012).
6. If a promisor prevents or hinders the occurrence of a condition, or the performance of a return promise, and the condition would have occurred or the performance of the return promise been rendered except for such prevention or hindrance, the condition is excused, and the actual or threatened nonperformance of the return promise does not discharge the promisor's duty, unless (a) the prevention or hindrance by the promisor is caused or justified by the conduct or pecuniary circumstances of the other party; or (b) the terms of

the contract are such that the risk of such prevention or hindrance as occurs is assumed by the other party. Restatement (First) of Contracts § 295 (1932)

7. Impracticability excuses the non-occurrence of a condition if the occurrence of the condition is not a material part of the agreed exchange and forfeiture would otherwise result. Restatement (Second) of Contracts § 271 (1981).
8. Waiver is the voluntary and intentional relinquishment of a known right. *Janasik*, 307 S.C. at 344, 415 S.E.2d at 387. It may be implied from circumstances indicating an intent to waive. *Bonnette v. State*, 277 S.C. 17, 282 S.E.2d 597 (1981); *Lyles v. BMI, Inc.*, 292 S.C. 153, 355 S.E.2d 282 (Ct.App.1987). Acts that are inconsistent with the continued assertion of a right may also give rise to a waiver. *Bonnette*, 282 S.E.2d 597. *Provident Life & Acc. Ins. Co. v. Driver*, 317 S.C. 471, 478, 451 S.E.2d 924, 928-29 (Ct. App. 1994).
9. In the construction of a contract, the intention of the parties to be collected from the instrument, (if in writing,) should be constantly in view, and in their performance, good faith and fair dealing is always required. And from hence, [the Court] deduce[s] the rule that when a contract stipulates for the performance of a condition on the event of a contingency, the occurrence of which must be known to one of the parties, but not necessarily known to the other, it is the duty of him to whom it is known to give notice of it to the other. . . *Birdseye v. Davis*, 13 S.C.L. 296, 298, 297-98 (S.C. Const. App. 1822).
10. Every contract imposes upon each party a duty of good faith and fair dealing in its performance and its enforcement. *Restatement (Second) of Contracts § 205 (1981).*
11. The discretion to grant or refuse specific performance is a judicial discretion to be exercised in accordance with special rules of equity and with regard to the facts and circumstances of each case." *Guignard v. Atkins*, 282 S.C. 61, 64, 317 S.E.2d 137, 140 (Ct.App.1984); *accord Bishop v. Tolbert*, 249 S.C. 289, 298, 153 S.E.2d 912, 917 (1967) ("The rule is well settled that the granting of specific performance is not a matter of absolute right, but rests in the sound or judicial discretion of the Court, guided by established principles, and exercised on a consideration of all the circumstances of each particular case."). "Specific performance will not be ordered unless the contract expresses the true intent of the parties and is fair, just and equitable." *Amick v. Hagler*, 286 S.C. 481, 484, 334 S.E.2d 525, 527 (Ct.App.1985). "[S]pecific performance ... is only available to enforce a contract that is fair, just, and equitable." *Hodge v. Shea*, 252 S.C. 601, 612, 168 S.E.2d 82, 87 (1969). "In order to compel specific performance, a court of equity must find: (1) there is clear evidence of a valid agreement; (2) the agreement had been partly carried into execution on one side with the approbation of the other; and (3) the party who comes to compel performance has performed his or her part, or has been and remains able and willing to perform his or her part of the contract." *Ingram*, 340 S.C. at 106, 531 S.E.2d at 291. *Campbell v. Carr*, 361 S.C. 258, 263-64, 603 S.E.2d 625, 627-28 (Ct. App. 2004).

FINDINGS OF FACT

1. The Dudek/Cross Contract is a conditional contract. Four conditions[1] are in the "printed matter" of the Contract. The parties agree these conditions require that "TIME IS OF THE ESSENCE." These conditions are found in Paragraph 3[2]; Paragraph 8;[3] Paragraph 12;[4] and Paragraph 19: Condition of Property (B. Inspection[5]) and (D. Wood Infestation[6]).

2. Ten conditions are set out in the Paragraph 29 Contingencies[7]. Notably, these ten conditions do not provide that time is of the essence. Moreover, these stipulations preempt the printed matter. These ten conditions are stated in three separate addenda, entitled Addendum A[8], Addendum B[9] and Addendum C[10].

3. The intention of the parties and the meaning of the Dudek/Cross Contract can be gathered primarily from the contents of the writing itself. In other words, this Court finds that the Dudek/Cross Contract is clear and unequivocal from the four corners of the instrument. This Court finds that the intent of the parties is the sale and purchase of the Real Property. Even though the conditions, in the stipulated contingencies, do not expressly require that time is of the essence, these stipulations do not materially discharge the time of the essence provisions. The parties intended that this transaction would occur on or before a date certain, specifically, November 30, 2012. The Dudek/Cross Contract's meaning is determined by the Contract's contents alone. This meaning is express. This Court finds the Dudek/Cross Contract is clear and capable of legal interpretation. Thus, this Court's only function is to interpret its lawful meaning, discover the intention of the parties as found within the agreement, and give effect to it. See, *Heins v. Heins,* 344 S.C. 146, 158, 543 S.E.2d 224, 230 (Ct.App.2001). *Park Regency, LLC v. R & D Dev. of the Carolinas, LLC*, 402 S.C. 401, 412-13, 741 S.E.2d 528, 534 (Ct. App. 2012).

4. The meaning[11] of the Dudek and Cross Contract is to give effect to the sale and purchase of the Real Property, a unique residential real property. This objective, i.e., to give effect to the intentions of the parties, culminates at that point in time when Defendants Ferro deliver a deed of conveyance[12] to Defendants Dudek and Cross in exchange for the purchase price. The purchase price is Three Hundred Three Thousand Dollars ($303,000.00). Defendants Ferro agree to pay Five Thousand Dollars ($5,000.00) of Defendants Dudek and Cross' closing costs.

5. Paragraph 6 of the Contract provides: "Purchase price shall be paid as follows: ■ Subject to financing. Financing to be obtained by ■ Conventional." Cross testified she and Dudek were

prepared to pay 20% of the purchase price in cash, financing 80% with a conventional residential loan.

6. Paragraph 3's closing date condition is dependent on successful completion of all of the conditions. This condition cannot be enforced until Defendants Dudek and Cross can deliver to Defendants Ferro the purchase price, discussed *infra*. Additionally, Defendants Dudek and Cross are not obligated to deliver the purchase price until Defendants Ferro perform the conditions for which they are responsible[13].

7. Defendants Ferro rely heavily on the failure of Defendants Dudek and Cross to have performed under Paragraph 8. A review of the condition reveals that the obligation to provide written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in the contract, is impossible. No other provision in the Dudek/Cross Contract alters the obligation to provide written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions.

8. Defendants Dudek and Cross's loan officer testified that the conventional residential loan is subject to rules and regulation. Her testimony indicates her financial institution has loan criteria that change. This testimony infers these rules and regulations are also banking regulations. She stated the regulations change from time to time. She testified that her financial institution provides pre-authorized loan approvals upon a potential borrower's successful application for an approval of residential financing. She testified pre-approval loan letters contain conditions that cannot be changed. She testified pre-approved loans evolve into loan applications. Her testimony established that pre-approved loan applications become loan applications when a specific property is identified. Her testimony also established that a signed application is not necessary for a loan officer to begin initiating the lender's processing. She testified that loan applications, if the potential borrower meets the loan processing conditions, thereafter evolve into loan commitments. She testified loan commitments contain conditions. Further, her testimony that a loan commitment for a conventional residential loan will always be subject to conditions; such as, the borrower's assets and liabilities remain substantially the same as they were at the time of the loan's application[14], continued verification of employment, mortgagee title insurance, free of liens and encumbrances, except those acceptable to the lender, *et. cet.*, (Plaintiff Exhibit 16, generally, and specifically, Residential Loan Commitment,

12/12/12). This testimony and documentary evidence is consistent with this Court taking judicial notice of the fact that conventional residential loan approvals without conditions are impossible to achieve.

9. Plaintiff Morphew and Defendants Ferro assert Defendants Dudek and Cross failed to perform this condition. This Court finds that an unconditional loan approval as described in Paragraph 8 is impossible[15] to achieve. In fact, an unconditional commitment for a conventional residential loan is impossible. A conventional residential loan commitment is subject to conditions. The legal effect of this impossibility is to excuse the condition. Hence, the culmination of the transaction on or before November 30, 2012 is excused.

10. The Court however finds that the temporal condition that TIME IS OF THE ESSENCE cannot be ignored altogether because the intent of the Dudek/Cross Contract was to complete the transaction with TIME IS OF THE ESSENCE. Notably, this Court finds the term is a mutual condition that conversely infers mutual benefits. The Contract created conditions for both parties to observe the resounding term, TIME IS OF THE ESSENCE[16]. In fact, Defendant Cross testified she immediately ordered a home inspection upon completion of the executed contract. (Transcript page 35, line 20). This act demonstrates Defendants Dudek and Cross understood the intent and meaning of the Dudek/Cross Contract.

11. The evidence reveals that Dudek and Cross had a completed home inspection by November 3, 2012. On that date, the evidence reveals Dudek and Cross provided Defendants Ferro a detailed list of critical concerns. The first of which embodies four points concerning the structural integrity[17] of the residence[18]. Additional critical concerns include plumbing water damage (6 points), moisture control (4 points), electrical issues (6 points), safety (4 points), utility maintenance (2 points), and four miscellaneous points. (Plaintiff's Exhibit 5; Transcript page 36, lines 5-8).

12. The Court finds Defendants Dudek and Cross detail of problems they wanted addressed consistent with their rights under the contract (Plaintiff's Exhibit 3, Dudek/Cross Contract Addendum A, Item 1) and infers they acted on the condition time is of the essence to achieve the November 30, 2012 closing date. Moreover, development of the critical concerns list and notifying Defendants Ferro within 10 days of the execution date of the contract supports this Court finding Defendants Dudek and Cross acted with good faith were dealing fairly with

Defendants Ferro. The detail of critical concerns establishes the importance of clear communication to avoid delays that poor communication invariably creates. The Defendant Cross testified Mr. Ferro's reply was a "few simple lines" indicating that he would take care of the structural problems, the electrical problems, would make sure that the bath leak in his bathroom was repaired, the floor would be repaired if needed and a few and other things like that (Transcript page 36, lines 12 – 20). This evidence is not controverted (Plaintiff's Exhibit 17, see Thomas Ferro email, dated November 11, 2012 @ 2:51 P.M.). Also, the uncontroverted evidence reveals a copy of the approved subdivision plat, dated October 20, 2012, was received by Defendants Dudek and Cross the Friday after Thanksgiving. The effective utility of which is Defendants Dudek and Cross were delayed until at least November 26, 2012 to further pursue the purchase price through the conventional residential financing. Moreover, the evidence reveals a wood infestation report (CL 100) was not provided until November 30, 2012. That report revealed a number of problems.

13. The Court finds that Defendants Ferro failure to address each item of critical concern in the manner in which it was presented violates Defendants Ferro's obligation to deal in good faith and fairly with Defendants Dudek and Cross. The Court finds Defendants Ferro's failure to immediately respond to Defendants Dudek and Cross in writing to the critical concerns to eliminate, or at least lessen, misunderstandings for Defendants Dudek and Cross to evaluate facts regarding their due diligence, together with Defendants Ferro's failure to provide an approved subdivision plat until effectively four (4) days prior to the Paragraph 3 date, and the utter failure to provide a timely "clear" CL 100, demonstrate that Defendants Ferro did not perform their obligations under the contract. These failures prevented or hindered the ability of Defendants Dudek and Cross to complete their evaluation of the property as the Contract provides (Plaintiff's Exhibit 17, see Susan Nicolson email dated, November 27, 2012 @12:44 P.M.). Thus, this Court finds Defendants Ferro's failures excuse the obligation of Defendants Dudek and Cross to deliver the purchase price on or before November 30, 2012 by the method of payment to which the parties agreed. Restatement (First) of Contracts § 295 (1932).

14. This Court finds the actions of Defendants Ferro establish they failed to observe TIME IS OF THE ESSENCE, a mutual obligation that the contract required. The contract expresses this refrain five (5) times in the printed matter. The Court finds that Defendants Ferro's failure to

respond with dispatch, and with clear intentions, effectively waives their right to assert Defendants Dudek and Cross did not comply with their obligation to observe that TIME IS OF THE ESSENCE.

15. The Court finds Defendants Dudek and Cross are willing, able and ready purchasers of the Real Property.

16. The Court finds the Dudek/Ferro Contract is enforceable.

17. The Court finds Defendants Ferro shall complete the sale of the property to Defendants Dudek and Cross.

18. The Court finds the Defendants Dudek and Cross' Paragraph 8 conditions are impossible. Nonetheless, Defendants Dudek and Cross are bound by the obligation of good faith and fair dealing which, when considered with the intent and meaning of the Contract, requires them to pursue conventional residential loan financing without delay. Since, the payment method to consummate the sale is a conventional residential loan, the date of the closing shall occur as soon as practicable once Defendants Dudek and Cross procure the loan commitment. Defendants Dudek and Cross shall enlist the services of a closing attorney to assure the conditions of the conventional residential loan commitment shall proceed with the urgency of time is of the essence. Thus, the intent and meaning of the Contract is reset to the date this Order becomes the law of the case.

19. The obligation to observe time of the essence applies to both Defendants Dudek and Cross and to Defendants Ferro. Since both parties are obligated to observe that time is of the essence both parties enjoy a reciprocal benefit by this provision. The Court finds the mutual obligation that the parties must deal with one another in good faith and with fairness must be addressed. The obligation for good faith and fair dealing, implied in every contract, is essential in the Dudek/Cross contract relationship with Defendants Ferro.

20. In this case, had the Defendant Ferro reciprocated this mutual contractual obligation, the sale and purchase of the Real Property would have occurred nearly two years ago, and would have saved all parties tremendous time, effort, expense and perhaps, as importantly, emotional equity. Regrettably, Defendants Ferro allowed an innocent third party, Plaintiff Morphew, in this consolidated case, to become entangled in an existing contractual relationship. In this Court's view, Defendants Ferro's acts demonstrate they failed to exercise a simple rule of common

decency that is, "do unto others as you would have them do unto you"[19]. A corollary to the noble principal is "[e]very contract imposes upon each party a duty of good faith and fair dealing in its performance and its enforcement." Restatement (Second) of Contracts § 205 (1981). See, *Birdseye v. Davis*, 13 S.C.L. 296, 297-98 (S.C. Const. App. 1822) (In the construction of a contract, ***the intention of the parties*** to be collected from the instrument, (if in writing,) should be constantly in view, and ***in their performance, good faith and fair dealing is always required.***) (This Court's emphasis).

21. The Court finds Defendants Ferro are in default of the Dudek/Cross Contract for the reasons stated in this Order. Pursuant to Paragraph 16, the Court finds Defendants Dudek and Cross are entitled to recover reasonable costs, including a reasonable attorney fee. To this end, Defendants are at leave to apply, on or before ten (10) days of the date of this Order, for costs and attorneys fees due from Defendants Ferro. This Court will schedule a factual hearing on or after 10 days from the date of filing the application to ascertain a reasonable attorney fee and what costs should be recovered. If Defendants Dudek and Cross fail to apply for costs and attorneys fees within ten (10) days of the entry of this Order, Defendants Dudek and Cross shall be deemed to have waived their rights under Paragraph 16.

22. Defendants Dudek and Cross seek specific performance of the Dudek/Cross Contract. Defendants Dudek and Cross claim against Defendants Ferro allege a breach of contract; however, they maintain the property is unique and no adequate remedy at law is available. This Court agrees. The property is six and six-one thousandth (6.006) acres on the outskirts of Summerville, South Carolina between the developing communities of Knightsville and Jedburg. In the last decade and one-half this area has enjoyed significant growth in commercial development in a rural setting. The Real Property is close to new public elementary and middle schools, and Summerville's private school, Pinewood Preparatory School. It presents easy access to the Town of Summerville, and U. S. Highway 78, which is the predominant route between the Summerville and the County Seat, St. George. In contrast, it is a far cry from a condominium and significantly different than a home in a tract builder's residential subdivision. This Court finds the property unique. Specific performance should be granted because there is no adequate remedy at law. Specific enforcement of the contract is equitable between the parties. See, *Ingram v. Kasey's Assocs.*, 340 S.C. 98, 105, 531 S.E.2d 287, 291 (2000).

23. The Court finds the Dudek/Cross Contract is fair, just, and equitable. See, *Anthony v. Eve,* 109 S.C. 255, 263, 95 S.E. 513, 515 (1918); *McChesney v. Smith,* 105 S.C. 171, 176, 89 S.E. 639, 641 (1916).

24. Giving due regard to the terms of the contract and the facts and circumstances concerning the intent and meaning of the Dudek/Cross Contract, this Court finds it should order that done which ought to be done. Hence, compelling performance of the Dudek/Cross Contract is an equitable result. Moreover, giving effect to the intent and meaning of the contract by compelling Defendants Ferro to sell the property to Defendants Dudek and Cross promotes a just result.

25. The Court finds Defendants Dudek and Cross worked in good faith to consummate the sale. The evidence supports a finding Defendants Ferro acts and omissions demonstrated unfair dealing. Defendants Ferro fail to point to meaningful communication with Defendants Dudek and Cross whereas the acts of Defendants Dudek and Cross infer they acted with care, kept Defendants Ferro advised of the concerns they had. This Court finds Plaintiff's Exhibit 3 emails demonstrate Defendants Ferro obfuscated the intent and meaning of the contract in the performance of conditions incumbent upon them to fulfill. The Court finds Defendants Ferro acted without intent to fulfill the contract according to its plain terms. The circumstances imply Defendants Ferro attempted to use the contract's time of the essence provisions as an exemption, and tried to use it as a tool to avoid their having to deal with critical concerns raised by Defendants Dudek and Cross, who were acting at all times within their rights under the contract.

CONCLUSIONS OF LAW

1. The Findings of Fact shall be deemed Conclusions of Law. The Conclusions of Law shall be deemed Findings of Fact. Additional Conclusions of Law are as follows:

2. The Dudek/Cross Contract is valid.

3. The Dudek/Cross Contract is a conditional contract.

4. The Dudek/Cross Contract is fair, just, and equitable.

5. Paragraph 12 of the Dudek/Cross Contract is impossible to perform. Defendants Dudek and Cross's failure to comply with Paragraph 12 is excused. However, Defendants Dudek and Cross did all they could have done to achieve a conventional residential loan to complete the method of payment. Moreover, they carried into execution of the terms of the Contract with the approbation of Defendants Ferro.

6. Defendants Ferro frustrated the rights of Defendants Dudek and Cross to perform their due diligence. Thus, Defendants Ferro excused the intent and meaning of the contract to culminate on or before November 30, 2012 with TIME IS OF THE ESSENCE.

7. Defendants Ferro's acts and omissions waived their right to require this Court to give effect to the intent and meaning of the contract to culminate on or before November 30, 2012 with TIME IS OF THE ESSENCE.

8. Defendants Ferro are in default of the Dudek/Cross Contract. Defendants Dudek and Cross have a contractual right to pursue recovery of a reasonable attorney fee and costs of this action. In order to assert this right, Defendants Dudek and Cross shall apply to recover these costs and fees on or before ten (10) days of the entry of this order.

9. Defendants Dudek and Cross have demonstrated they are willing, able and ready to purchase the Real Property, however, since approximately two (2) years have passed since the agreement was originally made, in order to give effect to the intent and meaning of the contract, they are granted the right to update their due diligence requirements while they renew their loan application.

10. Defendants Dudek and Cross shall be entitled to an updated Residential Home Inspection in accord with Paragraph 19 (B) that is satisfactory to them.

11. Defendants Ferro shall procure a CL 100 in accord with Paragraph 19 (D) that is satisfactory to Defendants Dudek and Cross.

12. The Dudek/Cross Contract intends and means that Defendants Dudek and Cross are to purchase the Real Property for Three Hundred Three Thousand Dollars ($303,000.00) and the method of payment shall be a conventional residential loan. The closing costs shall be paid as set forth in the Dudek/Cross Contract.

13. Defendants Ferro shall observe the obligation of good faith and fair dealing in performance of the Dudek/Cross Contract.

14. Defendants Ferro shall perform those conditions of the contract they are responsible for without delay. They shall inform in writing with specificity the Defendants Cross and Dudek what, if any, repairs they intend to complete to meet the satisfaction of Defendants Dudek and Cross. Although the finding of this Court established the Defendants right to personal satisfaction, the standard of satisfaction must meet the test of a reasonable person (*supra*,

endnote 13). In assessing what is reasonable the obligation of good faith and fair dealing prevails.

15. Defendants Ferro shall deliver a deed upon payment of the purchase price that complies with the provisions of Paragraph 3, and Addendum A and Addendum B of the Special Stipulations.

16. This Order shall be construed to terminate the Morphew Contract upon the exchange of the purchase price by Defendants Dudek and Cross for delivery of the deed by Defendants Ferro. Hence, at that point in time, Defendants Dudek and Cross grant of mortgage lien to their conventional residential loan lender shall be free of the encumbrance of the Morphew Contract.

17. The Morphew Contract cannot be specifically performed unless the Dudek/Cross Contract is terminated because a condition of the contract cannot be performed.

18. If the Dudek/Cross Contract is terminated, Defendants Dudek and Cross shall notify this Court and Plaintiff Morphew immediately, and file with this Court the written termination of Contract specifying the condition of the contract that could not be performed.

19. The Morphew Contract is a valid contract.

20. The Morphew Contract is a conditional contract.

21. The Morphew Contract is fair, just and equitable.

22. Thus, if the Dudek/Cross Contract is terminated, Defendants Ferro specifically perform Plaintiff Morphew Contract according to its terms.

23. Since the Morphew Contract is an enforceable contract conditioned on the termination of Defendants Dudek and Cross Contract, Defendants Ferro are not in default of the Morphew Contract. Absent a default, Plaintiff Morphew is not entitled to recover her costs and attorney's fee. NOW THEREFORE, IT IS

ORDERED, ADJUDGED, AND DECREED that Defendants Ferro shall deliver a deed of conveyance to the Real Property to Defendants Dudek and Cross in exchange for the purchase price in accord with the terms of sale and purchase contained in the Dudek/Cross Contract as directed to be given effect by the Findings of Fact and Conclusions of Law set forth in this Order. AND, IT IS

SO ORDERED, ADJUDGED, AND DECREED!

James E. Chellis
Dorchester County Master-in-Equity

St. George, South Carolina
November 6, 2014

[1] Paragraph 11, is not contested, however, this accounts for a fifth condition with **Time is of the Essence**. The Court considers it in construing the intent and meaning of the Dudek/Cross Contract.

[2]

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before 11/30 ~~December 31~~, 2012, not later than 9:00 p.m. **Time is of the essence.** Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

[3]

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 90.000 % loan (loan-to-value ratio) within 10 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. **Time is of the essence.** Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☐will ☐will not be added to the mortgage. VA funding fee ☐will ☐will not be added to the mortgage.

[4]

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed 15 consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. **Time is of the essence.**

5

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by November 20, 2012. In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. **Time is of the essence.** If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

6

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL100) from a licensed and bonded pest control operator, on or before November 30, 2012. **Time is of the essence.** If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

AA

remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

7

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See attached addendum A, B + C

8

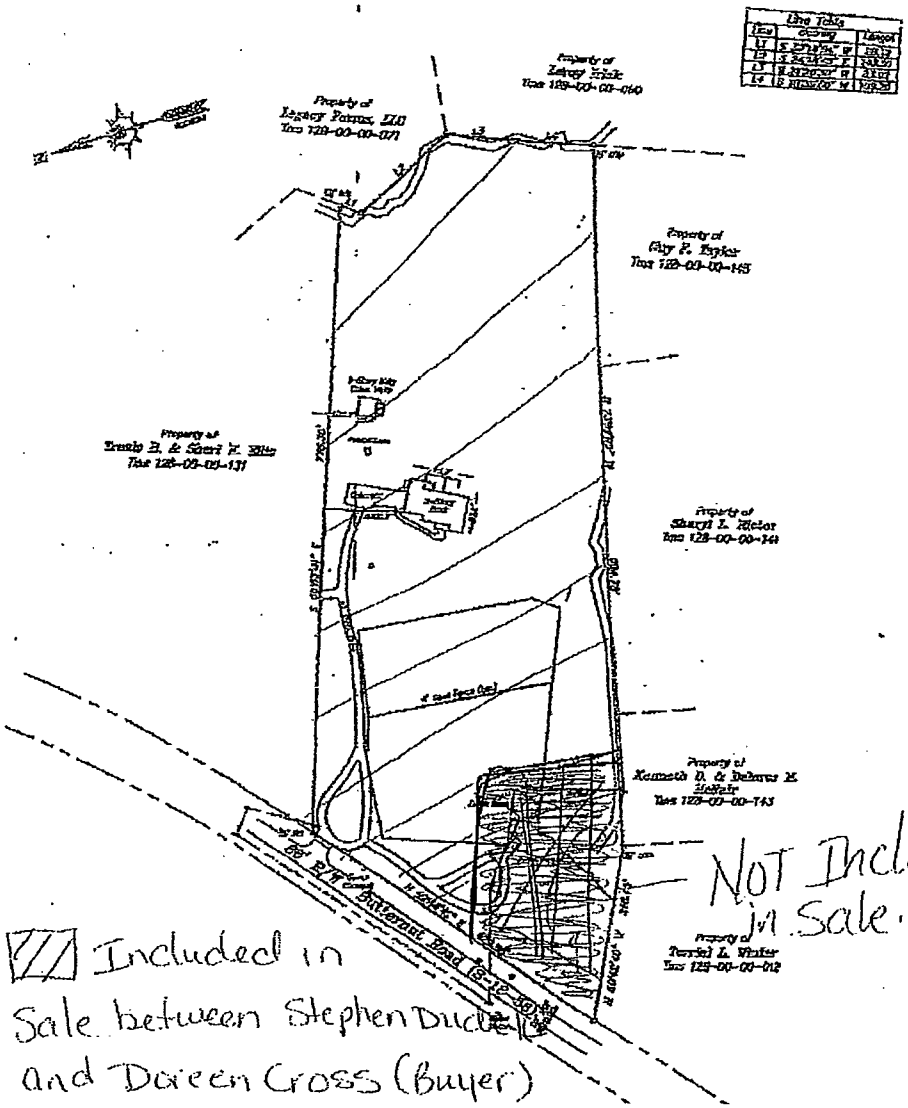
The undersigned Parties hereby agree as follows:

1. Buyer total satisfaction of home inspection and CL100. 2. Seller to make free all liens and clear, insurable and marketable title. 3. Seller to have all utilities on the home for buyer to have a home inspection done. 4. Seller to provide any and all paperwork of septic tank. If septics tank hasn't been service in the past yr. then Seller agrees to have it serviced. 5. Seller agrees to have the property subdivided to include in this sale the 3340 sf house, storage bldg and 6 acres. Any costs will be the responsibility of the Seller. Seller to give copies of any and all paperwork of this process to include copies of the survey. Cont. next pg. (B) + C

9

Also, remaining property that is subdivided from this sale shall have restrictions of NO MOBILE HOMES allowed. 7. If Seller has a current termite bond then Seller shall transfer to Buyer at no cost to buyer. 8. Seller to re-do SC Sellers Disclosure due to not legible of what is currently on the MLS. 9. Seller to leave current 3 sq. fencing paddock where it currently is. 10. Seller to leave any and all materials used in construction of home to included but not limited to wood flooring material, fence material, etc.

Addendum "C"


Property of
Legacy Farms, LLC
Tax 128-00-00-071
Property of
Legacy Trails
Tax 128-00-00-060
Property of
Clay E. Taylor
Tax 128-00-00-145
Property of
Travis D. & Sheri K. Miller
Tax 128-00-00-137
Property of
Sharyl L. Victor
Tax 128-00-00-140
Property of
Kenneth D. & Delores M.
Tax 128-00-00-143
Property of
Terrial L. Winter
Tax 128-00-00-012
Old Field
Entrance Road
Not Included in Sale.
Included in Sale between Stephen Dudek and Doreen Cross (Buyer)

[11] The meaning of the contract and the intent of the parties to it is one and the same thing. To interpret the lawful meaning is to discover the intention of the parties as found within the agreement. Our Court acknowledges contractual language coupling the terms "intent and meaning." Cf., *Mordecai v. Stutts*, 16 S.C. 622, 622 (1882) (interpreting a power of sale in a mortgage, the Court acknowledges language of the mortgage, "the conditions and recitals thereof, according to the true intent and meaning); *Hext v. Jarrell*, 34 S.C.L. 11, 14 (S.C. App. L. 1848) (the intent and meaning of a deed); *Edwards v. Sartor*, 69 S.C. 540, 48 S.E. 537, 537 (1904) (the Court acknowledges language of "true intent and meaning of note and condition thereunder written" in a mortgage, see, also, *Kaphan v. Ryan*, 16 S.C. 352, 353 (1882) (true intent and meaning of said bond, secured by a mortgage); *Crawford v. Owens*, 79 S.C. 59, 60 S.E. 236, 237 (1908) (the Court acknowledges language of "the terms of the contract according to its true intent and meaning" addressing a bond surety for the faithful performance of a contract); *Satterwhite's Adm'rs v. McKie*, 16 S.C.L. 397, 398 (S.C. Const. App. 1824) ("the obvious meaning and intent of the parties to the contract.").

[12] Paragraph 3 describes the particulars of the conveyance; this provision is modified by conditions set out in condition of the Special Stipulations.

[13] Addendum A requires the Paragraph 19 (B) and Paragraph (D) conditions to meet a standard totally acceptable to the Buyer. See, *Restatement (First) of Contracts § 265 (1932):* A promise in terms conditional on the promisor's satisfaction with an agreed exchange, gives rise to no duty of immediate performance until such satisfaction; but where it is doubtful whether words mean that a promise is conditional on the promisor's personal satisfaction with an agreed exchange, or on the sufficiency of that exchange to satisfy a reasonable man in the promisor's position, the latter interpretation is adopted. The Court finds the term "total satisfaction" means Dudek and Cross are not required to pay the purchase price until Dudek and Cross are personally satisfied with the Paragraph 19 (B) & (D) conditions. In any event, Cross testified despite Defendants Ferros' failure to answer in kind the questions concerning the home inspection and after she procured a structural engineer's report acceptable to her (she had a relative, who is an engineer, review the calculations) she was satisfied that the residence was structurally sound a reservation contained in her home inspection report. Dudek testified he never received a satisfactory CL 100 (Transcript page. 104, line 23). Hence, she did not have an opportunity to determine if it was satisfactory.

[14] The Court takes Judicial Notice that at a conventional residential loan closing borrowers are required to sign a Uniform Residential Loan application. The application is made under oath. This fact further supports the impossibility of the Paragraph 8 condition.

[15] Impossibility that would discharge the duty to perform a promise excuses a condition if (a). . ., or (b) existence or occurrence of the condition is no material part of the exchange for the promisor's performance and the discharge of the promisor will operate as a forfeiture. Restatement (First) of Contracts § 301 (1932). This Court applies this rule to the facts of this case as follows:

> Dudek and Cross had a duty (promise to perform) to procure unconditional financing within 20 days of signing the contract. The Contract calls for a conventional residential loan. Unconditional residential loan financing is impossible. The occurrence of the condition to procure unconditional financing in 20 days is not a material part of the exchange because delivery of the deed depends on delivery of the purchase price not procurement of the loan within twenty days of the signing of the contract and the discharge of Dudek and Cross's duty to procure unconditional loan approval would operate as a forfeiture of the contract.

[16] It is well established in this state that time is not of the essence of a contract to convey land unless made so by its terms expressly or by implication. Bishop v. Tolbert, 249 S.C. 289, 153 S.E.2d 912 (1967). When the contract does not include a provision that "time is of the essence," the law implies that it is to be done within a reasonable time. Hobgood v. Pennington, 300 S.C. 309, 387 S.E.2d 690 (Ct.App.1989). In equity, strict compliance with time limits contained in a contract will not ordinarily be enforced, except with regard to option contracts. Dargan v. Page, 222 S.C. 520, 73 S.E.2d 705 (1952). Faulkner v. Millar, 319 S.C. 216, 219-20, 460 S.E.2d 378, 380 (1995).

[17] Defendant Cross testified:
"the piers were not supporting anything, they were jus there. I didn't understand why all these piers were there, they were not touching the house (Transcript page 38, lines 1-3) Dudek corroborates and elaborates: "We were concerned about the extra piers under the crawl space because they were just there, they weren't at supporting anything, that surprised me. And yes, we were concerned about the crack tile in the front foyer and in the master bathroom. The back porch where the concrete was sinking, I thought it was just an add on so I wasn't sure, if it was an add on it was just settling, that didn't worry me that much. But the biggest thing was the structure of the house, the extra piers there for the supports because they were there and they weren't doing anything (Transcript page 98, l. 24 – page 99, l. 9).

[18] The house is a fairly heavy house, it is made of steel and it has installed CompCore on the outside of it with rebar in it, so I was concerned about the structure (Transcript page 38, lines 6 – 9).

[19] The moral principle, that men in their intercourse with each other should act with perfect fairness, is as broad as the foundation on which society is erected, and, in some form or other, we find it incorporated into the laws of every well regulated society. "Do unto others as you would have them do unto you," is the substratum of every civilized code; and the well known rule that no one shall profit by his own wrong, or profit by his own fraud, is built upon it- and wherever it is apparent that one man has profited by fraud and circumvention, to the loss or injury of another, he must respond. Minter v. Dent, 37 S.C.L. 205, 207 (S.C. App. L. & Eq. 1832)

SOUTH CAROLINA)
) IN THE COURT OF COMMON PLEAS
COUNTY OF DORCHESTER)

Stephen Dudek and Doreen Cross)
Plaintiff(s))

vs.)

Thomas M. Ferro and Lorraine B. Ferro)
Defendant(s))

CIVIL ACTION COVERSHEET

2013-CP - 18- 74

(Please Print)
Submitted By: David Athell Collins, Esquire
Address: P. O. Box 40578
Charleston, SC 29423

SC Bar #: 10294
Telephone #: (843) 760-0220
Fax #: (843) 552-2678
Other:
E-mail: davidacollins2@aol.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION (*Check all that apply*)

***If Action is Judgment/Settlement do not complete*

☐ JURY TRIAL demanded in complaint. ☒ NON-JURY TRIAL demanded in complaint.
☐ This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is exempt from ADR. (Proof of ADR/Exemption Attached)

NATURE OF ACTION (*Check One Box Below*)

Contracts
- ☐ Constructions (100)
- ☐ Debt Collection (110)
- ☐ Employment (120)
- ☐ General (130)
- ☒ Breach of Contract (140)
- ☐ Other (199)

Torts - Professional Malpractice
- ☐ Dental Malpractice (200)
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)

Previous Notice of Intent Case # 20____-CP-____-_____
- ☐ Notice/ File Med Mal (230)
- ☐ Other (299)

Torts – Personal Injury
- ☐ Assault/Slander/Libel (300)
- ☒ Conversion (310)
- ☐ Motor Vehicle Accident (320)
- ☐ Premises Liability (330)
- ☐ Products Liability (340)
- ☐ Personal Injury (350)
- ☐ Wrongful Death (360)
- ☐ Other (399)

Real Property
- ☐ Claim & Delivery (400)
- ☐ Condemnation (410)
- ☐ Foreclosure (420)
- ☐ Mechanic's Lien (430)
- ☐ Partition (440)
- ☐ Possession (450)
- ☐ Building Code Violation (460)
- ☐ Other (499)

Inmate Petitions
- ☐ PCR (500)
- ☐ Mandamus (520)
- ☐ Habeas Corpus (530)
- ☐ Other (599)

Judgments/Settlements
- ☐ Death Settlement (700)
- ☐ Foreign Judgment (710)
- ☐ Magistrate's Judgment (720)
- ☐ Minor Settlement (730)
- ☐ Transcript Judgment (740)
- ☒ Lis Pendens (750)
- ☐ Transfer of Structured Settlement Payment Rights Application (760)
- ☐ Other (799)

Administrative Law/Relief
- ☐ Reinstate Driver's License (800)
- ☐ Judicial Review (810)
- ☐ Relief (820)
- ☐ Permanent Injunction (830)
- ☐ Forfeiture-Petition (840)
- ☐ Forfeiture—Consent Order (850)
- ☐ Other (899)

Appeals
- ☐ Arbitration (900)
- ☐ Magistrate-Civil (910)
- ☐ Magistrate-Criminal (920)
- ☐ Municipal (930)
- ☐ Probate Court (940)
- ☐ SCDOT (950)
- ☐ Worker's Comp (960)
- ☐ Zoning Board (970)
- ☐ Public Service Commission (990)
- ☐ Employment Security Comm (991)
- ☐ Other (999)

Special/Complex /Other
- ☐ Environmental (600)
- ☐ Automobile Arb. (610)
- ☐ Medical (620)
- ☐ Other (699)
- ☐ Pharmaceuticals (630)
- ☐ Unfair Trade Practices (640)
- ☐ Out-of State Depositions (650)
- ☐ Motion to Quash Subpoena in an Out-of-County Action (660)
- ☐ Sexual Predator (510)

2013 JAN 15 PM 3:44 CLERK OF COURT DORCHESTER CO. S.C. CERTIFIED COPY

Submitting Party Signature: _____ **Date:** January 15, 2013

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.



FOR MANDATED ADR COUNTIES ONLY

Allendale, Anderson, Beaufort, Colleton, Florence, Greenville, Hampton, Horry, Jasper, Lexington, Pickens (Family Court Only), Richland, Union and York

SUPREME COURT RULES REQUIRE THE SUBMISSION OF ALL CIVIL CASES TO AN ALTERNATIVE DISPUTE RESOLUTION PROCESS, UNLESS OTHERWISE EXEMPT.

You are required to take the following action(s):

1. The parties shall select a neutral and file a "Proof of ADR" form on or by the 210th day of the filing of this action. If the parties have not selected a neutral within 210 days, the Clerk of Court shall then appoint a primary and secondary mediator from the current roster on a rotating basis from among those mediators agreeing to accept cases in the county in which the action has been filed.

2. The initial ADR conference must be held within 300 days after the filing of the action.

3. Pre-suit medical malpractice mediations required by S.C. Code §15-79-125 shall be held not later than 120 days after all defendants are served with the "Notice of Intent to File Suit" or as the court directs. (Medical malpractice mediation is mandatory statewide.)

4. Cases are exempt from ADR only upon the following grounds:

    a. Special proceeding, or actions seeking extraordinary relief such as mandamus, habeas corpus, or prohibition;

    b. Requests for temporary relief;

    c. Appeals

    d. Post Conviction relief matters;

    e. Contempt of Court proceedings;

    f. Forfeiture proceedings brought by governmental entities;

    g. Mortgage foreclosures; and

    h. Cases that have been previously subjected to an ADR conference, unless otherwise required by Rule 3 or by statute.

5. In cases not subject to ADR, the Chief Judge for Administrative Purposes, upon the motion of the court or of any party, may order a case to mediation.

6. Motion of a party to be exempt from payment of neutral fees due to indigency should be filed with the Court within ten (10) days after the ADR conference has been concluded.

Please Note: **You must comply with the Supreme Court Rules regarding ADR. Failure to do so may affect your case or may result in sanctions.**

Exhibit "B"

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOR THE FIRST JUDICIAL CIRCUIT
COUNTY OF DORCHESTER	)	CASE NO. ~~2013-CP-18-~~ 2013-LP-18-18
Stephen Dudek and Doreen Cross	)	
Plaintiffs,	)	
vs.	)	LIS PENDENS
Thomas M. Ferro and Lorraine B. Ferro	)	
Defendants	)	

CERTIFIED COPY
2013 JAN 11 PM 3:27
CLERK OF COURT
DORCHESTER COUNTY

Notice is hereby given that an action has been commenced and is pending in this Court upon complaint of the above named Plaintiffs against the above named Defendants for the specific performance of a contract of sale dated October 12, 2012, on the below described real estate:

All that certain piece, parcel, or lot of land, situate, lying and being near Jedburg, Dorchester County, South Carolina, being shown and designated as Tract B containing 8.006 acres, more or less, and being delineated on a plat entitled "Plat showing the subdivision of property owned by Estate of St. ClairA Knight, III, located near Jedburg, Dorchester county, South Carolina" dated August 7, 1997, prepared by Ashley Surveying, Inc. and recorded in the RMC Office for Dorchester County in Plat book J-26. Said lot having such size, shape, dimensions, buttings and boundings as will more fully appear by reference to said plat.

This being a portion of the property conveyed to the Estate of St. Clair A. Knight, III, under the Last Will and Testament of St. Clair Ainsley Knight, III, by Catherine H. Knight, Personal Representative, as filed in Horry County Probate Court Case No. 97-ES-26-152.

TMS Number 128-00-00-090

LAW OFFICE OF DAVID A. COLLINS, LLC

David Athell Collins, Esquire
Attorney for Plaintiff
P. O. Box 40578
Charleston, SC 29423
(843) 760-0220

North Charleston, SC
January 11. 2012

STATE OF SOUTH CAROLINA

COUNTY OF DORCHESTER

Stephen Dudek and Doreen Cross,

Plaintiffs,

vs.

Thomas M. Ferro and Lorraine B. Ferro,

Defendants.

IN THE COURT OF COMMON PLEAS
FOR THE NINTH JUDICIAL CIRCUIT
CASE NO.: 2013-CP-18- 74

SUMMONS

NON-JURY

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CLERK OF COURT
DORCHESTER COUNTY

YOU ARE HEREBY SUMMONED and required to answer the Complaint herein, a copy of which is herewith served upon you, and to serve a copy of your Answer to the said Complaint on the subscriber at his office at Post Office Box 40578, Charleston, South Carolina, 29423, within thirty (30) days of service; and if you fail to answer the Complaint within the time aforesaid, the Plaintiff will apply to the Court for the relief demanded in the Complaint and judgment by default will be rendered against you for the relief demanded in the Complaint.

LAW OFFICE OF DAVID A. COLLINS, LLC

David Athell Collins, Esquire
Post Office Box 40578
Charleston, SC 29423
(843) 760-0220
Attorney for Plaintiff

North Charleston, SC
January 15, 2013

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOR THE FIRST JUDICIAL CIRCUIT
COUNTY OF DORCHESTER	)	CASE NO. 2013-CP- 18- 74
Stephen Dudek and Doreen Cross	)	
Plaintiffs,	)	
vs.	)	COMPLAINT
Thomas M. Ferro and Lorraine B. Ferro	)	
Defendants	)	

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CLERK OF COURT
DORCHESTER COUNTY

The Plaintiffs, complaining of the Defendants named herein, would respectfully allege.

1. That the Plaintiffs are citizens and residents of the County of Dorchester, State of South Carolina.
2. That the Defendants are citizens and residents of the County of Dorchester, State of South Carolina.
3. That all parties are subject to the jurisdiction of this Court and venue is proper.
4. That on or about October 24, 2012, the parties entered in an Agreement to Buy and Sell Real Estate, a copy of which is attached hereto as Exhibit "A".
5. That the contract provided that the Defendants, as Sellers, sell to the Plaintiffs that certain real estate known as 788 East Butternut Road, located in Dorchester, South Carolina for and in consideration of the purchase price of Three Hundred Three Thousand and 00/100 ($303,000.00) Dollars.
6. That the Plaintiffs have complied with all conditions precedent to the contract.
7. That despite repeated demand to close the transaction, the Defendants have refused and still refuse to close the transaction as provided for by the contract.
8. That the Defendants are in breach of their contract with the Plaintiffs.

9. That as a direct and proximate result of the Defendants breach of contract, the Plaintiffs have been damaged in an amount to be determined by this Honorable Court.

10. That the Plaintiffs are entitled to a judgment against the Defendants in an amount to be determined by this Honorable Court.

FOR A SECOND CAUSE OF ACTION
(Specific Performance)

11. That the allegations contained in the preceding paragraphs are incorporated herein as if specifically repeated.

12. That the parties entered into an Agreement to Buy and Sell Real Estate on or about October 24, 2012.

13. That the Plaintiffs have filed a Lis Pendens on the property and that said Lis Pendens was filed on January 11, 2013. A copy of said Lis Pendens is attached hereto as Exhibit "B".

14. That should the contract not be ordered to be specifically performed, then the Plaintiffs will have no adequate remedy at law.

15. The contract between the parties constitutes an agreement that is fair, just and equitable.

16. That the Plaintiffs have complied with all terms of the contract and remains ready, willing and able to comply with the contract's terms.

17. That the Plaintiffs are entitled to an order of this Court compelling the Defendants to specifically perform the contract of the parties.

WHEREFORE, the Plaintiffs pray that this Court inquire into the matters as set forth herein, grant them an order compelling the Defendants to specifically perform the contract of the parties, or in the alternative, grant them judgment on their contract claim in an amount to be determined by this Honorable Court, grant them their attorney fees and costs and grant them whatever other relief that this Court deems just and equitable.

LAW OFFICE OF DAVID A. COLLINS, LLC

David Athell Collins, Esquire (Bar # 10294)
Post Office Box 40578
Charleston, SC 29423
Phone (843) 760-0220
Fax (843) 552-2678
Davidacollins2@aol.com

Exhibit "B"

AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

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1. **PARTIES:** This legally binding Agreement entered into on October 20, 2012 between, Buyer(s), Stephen Dudek, Doreen Cress (hereinafter called "BUYER"), and Seller(s), _____ (hereinafter called "SELLER"). The property shall be deeded in the name(s) of: man

THE ☐BUYER ☐SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐public sewer system or to ☒septic tank or to ☒public water or to ☒well system or to ☐other _____

No personal property will convey as a part of this sale, except as described: All appliances including refrigerator as well as all window treatments.

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before ~~11/30~~ 12/21/2012, not later than 5:00 p.m. Time is of the essence. Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

5. **PURCHASE PRICE** shall be $ ~~[illegible]~~ 303,000.00 Threehundred three thousand ~~[illegible]~~ dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐Cash; or ☒Subject to Financing. Financing to be obtained by ☒Conventional ☐Seller ☐VA ☐FHA ☐Other terms: _____

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 1,000.00 Buyer and Seller authorize Carolina One Real Estate as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐Cash, ☒Check, or ☐ Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer.

BUYER BUYER SELLER SELLER HAVE READ THIS PAGE

Carolina One Real Estate · Valley Road 1510 Old Trolley Road Summerville, SC 29483 Karen Nicholson
Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com
Phone: 843.819.2015 Fax: 8132820189 Doreen Cress

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DORCHESTER COUNTY

THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 90.000 % loan (loan-to-value ratio) within 10 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☐will ☐will not be added to the mortgage. VA funding fee ☐will ☐will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee, Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller to Contribute $5,000-towards Buyers Closing Costs.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☐will ☐will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐Buyer or ☒Seller not to exceed $ 700.00. APS provided by Carolina One.

11. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at 6 o'clock p M. on October 29, 2012 unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed 15 consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowners association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. **BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.** The ☐ Buyer or the ☒ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statement:** (check one)

☐ Buyer and Seller agree that Seller will not complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-30, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by November 20 2012. In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. Time is of the essence. If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (GL-100) from a licensed and bonded pest control operator, on or before November 30 2012. Time is of the essence. If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

then wall and ceiling

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remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) **Repairs:** The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment; or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 19 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) **Residential Dwellings Built before 1978:** (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this contract or by midnight on _____, _____. **(Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information).** This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☐ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) **Megan's Law:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) **Disclaimer:** The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guarantee or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. **APPRAISED VALUE:** (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty on warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. **COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at ☐ Buyer's ☒ Seller's expense.

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION: According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.**

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28. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See attached addendum A, B + C

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek Date 20 OCT 2012 Time 1:45

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

BUYER: Dorothy Cross Date 10 2012 Time 1:47

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

SELLER: Thomas Ferris Date 10/24/12 Time 11:45 AM

WITNESS: [illegible] Date 10/24/12 Time 11:45 AM

SELLER: Kathleen Ferris Date 10/24/12 Time 11:46 AM

WITNESS: Thomas Ferris Date 10/24/12 Time 11:46 AM

LISTING AGENT AND COMPANY Rick Willis The Group, LLC

SELLING AGENT AND COMPANY Susan Nicholson Carolina One Real Estate

SELLING AGENT IS PRESENTING THIS OFFER AS A ☒ BUYER'S AGENT OR ☐ SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT Susan Nicholson Carolina One Real Estate

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ADDENDUM A

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In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property; ☐ business, ☐ premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 N Buttercup Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agrees as follows:

1. Buyer total satisfaction of home inspection and CT100. 2. Seller to make free all liens and clear, insurable and marketable title. 3. Seller to have all utilities on the home for Buyer to have a home Inspection done. 4. Seller to provide any and all paperwork of septic tank. If septic tank hasn't been serviced in the past yr. then Seller agrees to have it serviced. 5. Seller agrees to have the property subdivided to include in this sale the 2240 sf house, storage bldg and 6 acres. Any costs will be the responsibility of the Seller. Seller to give copies of any and all paperwork of this process to include copies of the survey. Cont. next pg. (B) ↓

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek	Date 20 OCT 2012	Time 1:45 pm
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
BUYER: Dorothy Cross	Date 10.20.12	Time 1:47 pm
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
SELLER: Thomas Jones	Date 10/24/12	Time 11:48
WITNESS: Kelly J Jones	Date 10/24/12	Time 11:48
SELLER: Virginia Jones	Date 10/24/12	Time 11:49
WITNESS: Kelly J Jones	Date 10/24/12	Time 11:49

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Carolina One Real Estate - Trolley Road 1520 Old Trolley Road Summerville, SC 29485
Phone: 8434191015 Fax: 8452023169 Susan Nicholson 145 Browning

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ADDENDUM B

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In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises -- commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

Also, remaining property that is subdivided from this sale shall have restrictions of NO MOBILE HOMES allowed. 7. If Seller has a current termite bond then Seller shall transfer to Buyer at no cost to buyer. 8. Seller to re-do SC Sellers Disclosure due to not legible of what is currently on the MLS. 9. Seller to leave current 3 ac. fencing paddock where it currently is. 10. Seller to leave any and all materials used in construction of home to included but not limited to wood flooring material, fence material, etc. Buyer shall grant water & Sewer easement to adjacent 2 acres ~~of~~ ff

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Pudek	Date 20 OCT 2012	Time 1:45 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
BUYER: Debra Gross	Date 10.20.12	Time 1:47 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
SELLER:	Date 10/24/12	Time 11:48
WITNESS:	Date 10/24/12	Time 11:48
SELLER:	Date 10/24/12	Time 11:49
WITNESS:	Date 10/24/12	Time 11:49

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF DORCHESTER	)	CASE NO.: 2013-CP-18- 183
Molly M. Morphew,	)	
	)	
Plaintiff,	)	
	)	
v.	)	**COMPLAINT**
	)	**(Jury Trial Demanded)**
Thomas Ferro, Lorraine Ferro, Stephen Dudek, and Doreen Cross,	)	
	)	
Defendants.	)	

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2013 JAN 31 PM 3:2
CLERK OF COURT
DORCHESTER COUNTY

The Plaintiff, Molly M. Morphew, complaining of the Defendants, Thomas Ferro, Lorraine Ferro, Stephen Dudek, and Doreen Cross, alleges as follows that:

BACKGROUND

1. The Plaintiff is a citizen and resident of Dorchester County, South Carolina.
2. Upon information and belief, Defendants Thomas Ferro and Lorraine Ferro are residents of the State of Kentucky.
3. Upon information and belief, Defendants Thomas and Lorraine Ferro own property in Dorchester County that is the subject of this Complaint, identified as TMS# 128-00-00-090 (hereafter "the Property").
4. Upon information and belief, Defendant Stephen Dudek is resident of Dorchester County, South Carolina.
5. Upon information and belief, Defendant Doreen Cross is a citizen and resident of Dorchester County, South Carolina.
6. This Court has jurisdiction over the parties and subject matter of this litigation and venue is proper in Dorchester County.

FOR A FIRST CAUSE OF ACTION
(DECLARATORY JUDGMENT)

7. Upon information and belief, at some time prior to October 20, 2012, Defendants Thomas and Lorraine Ferrow acquired the Property.
8. On October 20, 2012, Defendants Dudek and Cross entered into an Agreement to Buy and

Sell Real Estate with Defendants Thomas and Lorraine Ferro (hereafter "1st Contract")(See "Exhibit A" attached) to purchase the Property specific terms and conditions stated in the 1st Contract.

9. Upon information and belief, Defendants Thomas and Lorraine Ferro performed their obligations under the 1st Contract and were prepared to close in accordance with the terms of the Contract.

10. Upon information and belief, Defendants Dudek and Cross failed to comply with their obligations under the 1st Contract.

11. Specifically, Defendants Dudek and Cross failed to provide Defendants Thomas and Lorraine Ferro with proof of financing within the time period required by paragraph 8 of the 1st Contract.

12. Additionally, Defendants Dudek and Cross failed or refused to close the purchase of the Property as specified in paragraph 3 of the 1st Contract.

13. The 1st Contract provided that time was of the essence as to both of the time limitations in paragraph 8 and paragraph 3.

14. Pursuant to paragraph 16 of the Contract Defendants Dudek and Cross were obligated to sign a written release after receiving written notice of their default under the 1st Contract.

15. Upon information and belief, on or about December 16, 2012 Defendants Thomas and Lorraine Ferro provided Defendants Dudek and Cross with notice of their default and requested that they sign a release of the 1st Contract, but Defendantd Dudek and Cross failed or refused to sign the release.

16. On or about December 16, 2012, Defendants Thomas and Lorraine Ferro entered into an Agreement to Buy and Sell Real Estate with Plaintiff (hereafter "2nd Contract")(See "Exhibit B" attached) to purchase the Property specific terms and conditions stated in the 2nd Contract.

17. The 2nd Contract states that it is contingent upon Defendants Thomas and Lorraine Ferro obtaining a release of the 1st Contract from Defendants Dudek and Cross.

18. Plaintiff has complied with all of her obligations under the 2nd Contract and she is ready, willing and able to close.

19. Plaintiff has been unable to close because Defendants Dudek and Cross have refused to

sign a release of the 1st Contract despite their breach of that contract.

20. Pursuant to the South Carolina Declaratory Judgments Act, S.C. Code Ann. Sec 15-53-10 et. seq., Plaintiff is entitled to a declaration that Defendants Dudek and Cross are in breach of their obligations under the 1st Contract, that those Defendants are obligated to sign a release of the 1st Contract, and that the Defendants Thomas and Lorraine Ferro are obligated to sell the Property to Plaintiff.

FOR A SECOND CAUSE OF ACTION
(Specific Performance)

21. All allegations in the prior paragraphs are fully repeated and incorporated herein.

22. The Defendants Dudek and Cross have unlawfully prevented Defendants Thomas and Lorraine Ferro from fulfilling their obligations under the 2nd Contract and/or unlawfully interfered and disrupted the performance of Defendants Thomas and Lorraine Ferro under the 2nd Contract.

23. Further, Defendants Dudek and Cross filed a lawsuit against Defendants Thomas and Lorraine Ferro in an attempt to disrupt and interfere with the closing of the 2nd Contract.

24. Upon information and belief, Defendants Dudek and Cross engaged in those activities even though she was aware that Defendants Thomas and Lorraine Ferro had contracted to sell the Property to the Plaintiff.

25. Defendants Thomas and Lorraine Ferro have an absolute duty to perform all their obligations under the 2nd Contract.

26. Plaintiff has no adequate legal remedy in that the Property is unique, the Property is uniquely suited for her needs, and Plaintiff has incurred substantial expenses and expended considerable time and effort planning to purchase this particular Property.

27. As a direct and proximate result of Defendants' conduct as set forth herein, Plaintiff is entitled to an order requiring Defendants Thomas and Lorraine Ferro to perform as provided by the 2nd Contract and deliver good and marketable title to the Property to Plaintiff by executing a general warranty deed free of liens, encumbrances and claims.

FOR A THIRD CAUSE OF ACTION
(BREACH OF CONTRACT)

28. All allegations in the prior paragraphs are fully repeated and incorporated herein.

29. As set forth more fully above, Plaintiff entered into a valid and legally binding written

contract with Defendants Thomas and Lorraine Ferro to purchase the Property on certain terms and conditions as stated in the 2nd Contract.

30. After signing the Contract, Plaintiff has secured the financing necessary to purchase the Property and Plaintiff has incurred substantial expenses and expended considerable time and effort planning to purchase the Property.

31. Plaintiff has performed all of her obligations under the 2nd Contract.

32. Defendants Thomas and Lorraine Ferro have an absolute duty to perform all their obligations under the 2nd Contract.

33. Upon information and belief, Defendants Thomas and Lorraine Ferro are prepared to perform their obligations under the 2nd Contract.

34. Upon information and belief, Defendants Thomas and Lorraine Ferro have been unable to close due to the unlawful objections of Defendants Dudek and Cross, which have or will result in breach of the terms the 2nd Contract.

35. As a direct and proximate result of Defendants' conduct as set forth herein, Plaintiff has been injured and damaged. Therefore, as an alternative to the Plaintiff's prayer for an order compelling specific performance of the 2nd Contract, Plaintiff is entitled to recover damages against Defendants in an amount to be proven at the trial of this matter, plus pre-judgment interest at the rate allowed by law.

FOR A FOURTH CAUSE OF ACTION
(TORTIOUS INTERFERENCE WITH
EXISTING CONTRACTUAL RELATIONS)

36. All allegations in the prior paragraphs are fully repeated and incorporated herein.

37. Plaintiff has a valid and binding Contract with Defendants Thomas and Lorraine Ferro.

38. At all times material, Defendants Dudek and Cross had actual knowledge of the 2nd Contract between Plaintiff and Defendants Thomas and Lorraine Ferro.

39. Defendants Dudek and Cross intentionally and tortiously interfered with and precipitated the breach of Plaintiff's 2nd Contract as described more fully above.

40. The actions and conduct of Defendants Dudek and Cross were without any reasonable or legitimate business justification.

41. As a result of the tortious interference with the Contract of Defendants Dudek and Cross Plaintiff has been unsuccessful in acquiring title to the Property pursuant to the 2nd Contract.

42. As a direct and proximate result of the conduct of Defendants Dudek and Cross as set forth herein, Plaintiff has been injured and damaged. Therefore, Plaintiff is entitled to recover actual damages and punitive damages against Defendants Dudek and Cross in an amount to be proven at the trial of this matter.

WHEREFORE, Plaintiff seeks an order of this Court compelling Defendants Thomas and Lorraine Ferro to specifically perform their obligations under the 2nd Contract, or in the alternative, for an award against Defendants Stephen Dudek and Doreen Cross for actual damages, consequential damages, pre-judgment interest at the legal rate, punitive damages and for such other relief as may be just and proper.

John A. Massalon
WILLS MASSALON & ALLEN LLC
Post Office Box 859
Charleston, South Carolina 29402
(843) 727-1144
jmassalon@wmalawfirm.net

ATTORNEYS FOR PLAINTIFF

CHARLESTON, SC

January 30, 2013

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)

IN THE COURT OF COMMON PLEAS

olly M. Morphew,)
Plaintiff)
v.)
Thomas Ferro, Lorraine Ferro,)
Stephen Dudek, and Doreen Cross,)
Defendant(s))

CIVIL ACTION COVERSHEET
2013-CP-18-183

Submitted by: John A. Massalon	SC Bar # 10279
Address: Wills & Massalon, LLC	Telephone # (843) 727-1144
PO Box 859	Fax # (843) 727-7696
Charleston, SC 29401	Other:
	E-mail: jmassalon@wmalawfirm.net

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this cover sheet must be served on the defendant(s) along with the Summons and Complaint.

DOCKETING INFORMATION (Check all that apply)
*If Action is Judgment/Settlement do not complete

X **JURY TRIAL** demanded in complaint. ☐ **NON-JURY TRIAL** demanded in complaint.
☐ This case is subject to **ARBITRATION** pursuant to the Court Alternative Dispute Resolution Rules.
☐ This case is subject to **MEDIATION** pursuant to the Court Annexed Alternative Dispute Resolution Rules.
☐ This case is exempt from ADR (Proof of ADR/Exemption Attached).

NATURE OF ACTION *(Check One Box Below)*

Contracts
- ☐ Construction (100)
- ☐ Debt Collection (110)
- ☐ Employment (120)
- ☐ General (130)
- ☐ Breach of Contract (140)
- ☐ Other (199) _____

Torts-Professional Malpractice
- ☐ Dental Malpractice (200
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)
- ☐ Notice/File Med Mal (230)
- ☐ Other (299) _____

Torts-Personal Injury
- ☐ Assault/Slander/Libel (300)
- ☐ Conversion (310)
- ☐ Motor Vehicle Accident (320)
- ☐ Premises Liability (330)
- ☐ Products Liability (340)
- ☐ Personal Injury (350)
- ☐ Wrongful Death (360)
- ☐ Other (399)

Real Property
- ☐ Claim & Delivery (400)
- ☐ Condemnation (410)
- ☐ Foreclosure (420)
- ☐ Mechanic's Lien (430)
- ☐ Partition (440)
- ☐ Possession (450)
- ☐ Building Code Violation (460)
- ☐ **X Other (499)** **Specific Performance**

Inmate Petitions
- ☐ PCR (500)
- ☐ Mandamus (520)
- ☐ Habeas Corpus (530)
- ☐ Other (599)_____

Judgments/Settlements
- ☐ Death Settlement (700)
- ☐ Foreign Judgment (710)
- ☐ Magistrate's Judgment (720)
- ☐ Minor Settlement 730)
- ☐ Transcript Judgment (740)
- ☐ Lis Pendens (750)
- ☐ Transfer of Structures Settlement payment Rights Application (760)
- ☐ Other (799)_____

Administrative Law/Relief
- ☐ Reinstate Driver's License (800)
- ☐ Judicial Review (810)
- ☐ Relief (820)
- ☐ Permanent Injunction (830)
- ☐ Forfeiture-Petition (840)
- ☐ Forfeiture-Consent Order (850)
- ☐ Other (899)_____

Appeals
- ☐ Arbitration (900)
- ☐ Magistrate-Civil (910)
- ☐ Magistrate-Criminal (920)
- ☐ Municipal (930)
- ☐ Probate Court (940)
- ☐ SCDOT (590)
- ☐ Worker's Comp (960)
- ☐ Zoning Board (970)
- ☐ Admin Law Judge (980)
- ☐ Public Service Comm (990)
- ☐ Employ Security Comm (991)
- ☐ Other (999)_____

Special/Complex/Other
- ☐ Environmental (600)
- ☐ Automobile Arb. (610)
- ☐ Medical (620)
- ☐ Other (699) _____
- ☐ Pharmaceuticals (630)
- ☐ Unfair Trade Practices (640)
- ☐ Out-of-State Deposition (650)
- ☐ Sexual Predator (510)

Submitting Party Signature: _____ **Date: January 30, 2013**
John A. Massalon

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

SCCA/234 (03/09)

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF DORCHESTER	)	CASE NO.: 2013-CP-18- 183
Molly M. Morphew,	)	
	)	
Plaintiff,	)	
	)	
v.	)	**SUMMONS**
	)	**(Jury Trial Demanded)**
Thomas Ferro, Lorraine Ferro, Stephen Dudek, and Doreen Cross,	)	
	)	
Defendants.	)	

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CLERK OF COURT
DORCHESTER COUNTY

TO THE DEFENDANTS ABOVE NAMED:

YOU ARE HEREBY SUMMONED AND REQUIRED to answer the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your Answer to said Complaint on the below subscribed attorney at his office at 97 Broad Street, Charleston, South Carolina 29401 within thirty (30) days after the service hereof exclusive of the day of such service; and if you fail to answer the Complaint within the time aforesaid, the Plaintiff in this action will apply to the Court for the relief demanded in this action.

John A. Massalon
WILLS MASSALON & ALLEN, LLC
Post Office Box 859
Charleston, South Carolina 29402
(843) 727-1144
jmassalon@wmalawfirm.net

ATTORNEYS FOR PLAINTIFF

CHARLESTON, SC

January 30, 2013

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DORCHESTER COUNTY

EXHIBIT "A"

AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

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1. **PARTIES:** This legally binding Agreement entered into on October 20, 2012 between, Buyer(s), Stephen Dudek, Doreen Dreyer (hereinafter called "BUYER"), and Seller(s), _____ (hereinafter called "SELLER"). The property shall be deeded in the name(s) of Same

THE ☐BUYER ☐SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 120-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐public sewer system or to ☒septic tank or to ☒public water or to ☒well system or to ☐other _____

No personal property will convey as a part of this sale, except as described: All appliances including refrigerator as well as all window treatments.

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before ~~30 December 22~~ 12/22/2012, not later than 9:00 p.m. Time is of the essence. Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

5. **PURCHASE PRICE** shall be $ ~~xxx,xxx.xx~~ 203,000.00 Two Hundred Three Thousand and 00/100 dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐Cash; or ☒Subject to Financing. Financing to be obtained by ☒Conventional ☐Seller ☐VA ☐FHA ☐Other terms: _____

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 1,000.00 Buyer and Seller authorize Carolina One Real Estate as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐Cash, ☒Check, or ☐Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer.

☐ BUYER ☐ BUYER ☐ SELLER ☐ SELLER HAVE READ THIS PAGE

Carolina One Real Estate • Trolley Road 1510 Old Trolley Road Summerville, SC 29483 Phone: 843.851.8313 Fax: 843.851.1169 155 Branches
Sean Nicholson
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2013 JAN 31 PM 3:29 CLERK OF COURT DORCHESTER COUNTY CERTIFIED COPY

THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 80,000 % loan (loan-to-value ratio) within 10 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☐will ☐will not be added to the mortgage. VA funding fee ☐will ☐will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller to Contribute $5,000 towards Buyers Closing Costs.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☒will ☐will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐Buyer or ☒Seller not to exceed $ 700.00. AHS provided by Carolina One.

11. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at 6 o'clock p M. on October 22, 2012 unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed 10 consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowner's association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. **BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.** The ☐ Buyer or the ☒ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statement:** (check one)

☐ Buyer and Seller agree that Seller will not complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-30, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by November 20, 2012, In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. Time is of the essence. If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL100) from a licensed and bonded pest control operator, on or before November 30, 2012. Time is of the essence. If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) **Repairs:** The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment; or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 19 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) **Residential Dwellings Built before 1978:** (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyers expense, by midnight on _____. **(Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information).** This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☐ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) **Megan's Law:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) **Disclaimer:** The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guarantee or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. **APPRAISED VALUE:** (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the Seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty on warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. **COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at ☐ Buyer's ☒ Seller's expense.

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the Internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION: According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.**

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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28. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See Attached addendum A, B + C

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek Date 20 OCT 2012 Time 1195

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

BUYER: Doreen Cross Date 10 OCT 12 Time 1:47

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

SELLER: Deanna Jones Date 10/24/12 Time 11:45 AM

WITNESS: K. Jones Date 10/24/12 Time 11:45 AM

SELLER: Kathleen Jones Date 10/24/12 Time 11:46 AM

WITNESS: Deanna Jones Date 10/24/12 Time 11:46 AM

LISTING AGENT AND COMPANY Rick Willis The Group, LLC

SELLING AGENT AND COMPANY Susan Nicholson Carolina One Real Estate

SELLING AGENT IS PRESENTING THIS OFFER AS A ☒ BUYER'S AGENT OR ☐ SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT Susan Nicholson Carolina One Real Estate

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ADDENDUM A

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In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property; ☐ business, ☐ premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 708 N Nottaway Rd,

Tax Map # 128-00-00-080 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

1. Buyer total satisfaction of home inspection and CL100. 2. Seller to make free all liens and clear, insurable and marketable title. 3. Seller to have all utilities on the home for buyer to have a home inspection done. 4. Seller to provide any and all paperwork of septic tank. If septic tank hasn't been service in the past yr, then seller agrees to have it serviced. 5. Seller agrees to have the property subdivided to include in this sale the 2200 sf house, storage bldg and 5 acres. Any costs will be the responsibility of the Seller. Seller to have review of any and all paperwork of this process to include copies of the survey. Cont. next pg. (B) ↓

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek	Date 20 OCT 2012	Time 1:45 PM
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
BUYER: Brenda Cross	Date 10.2012	Time 1:47 pm
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
SELLER: James Jones	Date 10/24/12	Time 11:48
WITNESS: [illegible]	Date 10/24/12	Time 11:48
SELLER: [illegible]	Date 10/24/12	Time 11:49
WITNESS: [illegible]	Date 10/24/12	Time 11:49

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Phone: 8434191015 Fax: 8452823169 Susan Nicholson

145 Brownlea

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ADDENDUM B

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In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises -- commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 N Buttermut Rd.

Tax Map # 130-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

Also, remaining property that is subdivided from this sale shall have restrictions of NO MOBILE HOMES allowed. 7. If Seller has a current termite bond then Seller shall transfer to Buyer at no cost to buyer. 8. Seller to re-do SC Sellers Disclosure due to not legible of what is currently on the MLS. 9. Seller to leave current 3 ac. fencing paddock where it currently is. 10. Seller to leave any and all materials used in construction of home to included but not limited to wood flooring material, fence material, etc. Buyer shall grant water & sewer easement to adjacent 2 acres.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Pudek	Date 21 OCT 2012	Time 1:45 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
BUYER: Deleon Deona	Date 10.2012	Time 1:47 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
SELLER:	Date 10/24/12	Time 11:48
WITNESS:	Date 10/24/12	Time 11:48
SELLER:	Date 10/24/12	Time 11:49
WITNESS:	Date 10/24/12	Time 11:49

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Phone: 8434191018 Fax: 8432023169 Susan Nicholson

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EXHIBIT "B"

AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

1. **PARTIES:** This legally binding Agreement entered into on December 16, 2012 between, Buyer(s), Molly M. Morphew, (hereinafter called "**BUYER**"), and Seller(s), Thomas Ferro, Lorraine Ferro, (hereinafter called "**SELLER**"). The property shall be deeded in the name(s) of: Molly M. Morphew

THE ☐BUYER ☐SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut (6 Acres) Tract B-1

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐public sewer system or to ☒septic tank or to ☒public water or to ☒well system or to ☐other _____

No personal property will convey as a part of this sale, except as described: Elec Cooktop, Dishwasher, Waher/Dryer Connections, Garbage Disposal, Satellite Dish

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before 1/30/13, 1/30/13, not later than 9:00 p.m. **Time is of the essence.** Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

6. **PURCHASE PRICE** shall be $ 280,000.00 Two Hundred Eighty Thousand dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐Cash; or ☒Subject to Financing. Financing to be obtained by ☒Conventional ☐Seller ☐VA ☐FHA ☐Other terms: N/A

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 5,000.00 Pd. To sellers ~~in the form of ☐Cash, ☐Check or ☐Other. Buyer and Seller authorize _____ as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐Cash, ☐Check or ☐Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit will be credited to the Buyer.~~

MW BUYER [____] BUYER [MW] SELLER [TF] SELLER HAVE READ THIS PAGE

The Group, LLC. 2060 Skyhawk Ct. Mt. Pleasant, SC 29466 Phone: 843-971-1002 Fax: 888-803-1570 788 E. Butternut
Chelsea Willis
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THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 96.500 % loan (loan-to-value ratio) within 5 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 30 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☒ will ☐ will not be added to the mortgage. VA funding fee ☐ will ☒ will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller agrees to pay up to $7,000 towards buyers closing costs, prepaids, allowables and non allowables at closing.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☐ will ☒ will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐ Buyer or ☐ Seller not to exceed $ N/A.

11. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at N/A o'clock N/A M. on N/A unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed N/A consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowner's association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. **BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.** The ☐ Buyer or the ☐ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statement:** (check one)

☐ Buyer and Seller agree that Seller will **not** complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-30, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by N/A, N/A. In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. Time is of the essence. If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL100) from a licensed and bonded pest control operator, on or before At Closing, . Time is of the essence. If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) **Repairs**: The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment, or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 19 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) **Residential Dwellings Built before 1978**: (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this contract or by midnight on _____, _____. (**Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information**). This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☒ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) **Megan's Law:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) **Disclaimer:** The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guarantee or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. **APPRAISED VALUE:** (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty on warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. ~~**COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at~~ ☐ ~~Buyer's~~ ☐ ~~Seller's expense.~~

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the Internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION: According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.**

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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28. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See Addendum "A"

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Molly M Morphew Date 12/16/12 Time _____
Molly M. Morphew

WITNESS: _____ Date _____ Time _____

BUYER: _____ Date _____ Time _____

WITNESS: _____ Date _____ Time _____

SELLER: Thomas Ferro Date 12/16/12 Time _____
Thomas Ferro

WITNESS: _____ Date _____ Time _____

SELLER: Lorraine Ferro Date 12/16/12 Time _____
Lorraine Ferro

WITNESS: _____ Date _____ Time _____

LISTING AGENT AND COMPANY The Group, Llc

SELLING AGENT AND COMPANY The Group, Llc

SELLING AGENT IS PRESENTING THIS OFFER AS A ☐BUYER'S AGENT OR ☐SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT _____

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ADDENDUM A

In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises --- commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut (6 Acres)

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

Property is being purchased in "As Is" condition. This contract is a "back up" contract. It is contingent upon an existing contract of sale to receive a signed release so that this contract becomes the primary contract. In the event the existing contract does not receive a signed release, this agreement may be declared null and void by either party on or before December 30, 2012 with written notice and deposit money returned to purchaser. Attached plat shows property being purchased. Seller agrees to pay 6% of the sales price at closing to The Group, Llc as compensation for this transaction.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Molly M. Morphew — Date 12/16/12 — Time _____

WITNESS: _____ — Date _____ — Time _____

BUYER: _____ — Date _____ — Time _____

WITNESS: _____ — Date _____ — Time _____

SELLER: Thomas Ferro — Date 12/16/12 — Time _____

WITNESS: _____ — Date _____ — Time _____

SELLER: Lorraine Ferro — Date 12/16/12 — Time _____

WITNESS: _____ — Date _____ — Time _____

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The Group, LLC. 2060 Skyhawk Ct, Mt. Pleasant, SC 29466
Phone: 843-971-4002 Fax: 888-803-1570 Charlene Willis

788 E. Buttern

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STATE OF SOUTH CAROLINA
RESIDENTIAL PROPERTY CONDITION DISCLOSURE STATEMENT

INSTRUCTIONS TO PROPERTY OWNERS

1. South Carolina Code of Laws Title 27 Chapter 50 Article 1 requires that beginning January 1, 2003, an owner of residential real estate (single-family homes and buildings with up to four dwelling units) shall provide to a purchaser this property condition disclosure statement which must be completed prior to signing a contract of sale. This disclosure statement must be provided in connection with the sale, exchange, option and sale under a lease with an option to purchase. This disclosure statement is not required for some transactions, including the first sale of a dwelling which has never been inhabited. A complete list of exemptions may be found in Section 27-50-30.

2. You must check one of the boxes for each of the 14 questions on pages 2 and 3 of this form.

   a. If you check "Yes" for any question, you must explain the problem or attach a descriptive report from an engineer, contractor, pest control operator or other expert or public agency. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in the report as long as you were not grossly negligent in obtaining or transmitting the information.

   b. If you check "No" for any question, you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem, you may be liable for making an intentional misrepresentation.

   c. If you check "No Representation" for any question, you are stating that you are making no representation regarding the conditions or characteristics of the property, but you may have a duty to disclose even if you know or should have known of them. Please consult with an attorney to determine any potential liability you may have for checking this answer.

   d. If you check "Yes" or "No" for any question and subsequently something happens to the property to render your statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly provide the purchaser a corrected statement or you may correct the problem.

3. If you are assisted in the sale of your property by a licensed real estate broker or salesperson, you remain solely responsible for completing and delivering this statement to the purchaser. The broker or salesperson must disclose any material facts about your property which he/she knows or reasonably should know, regardless of your responses on this statement. You are to complete this form yourself and answer all questions truthfully and as fully as possible. By signing below you acknowledge that the failure to disclose known material information about the property may result in liability.

4. You must provide the completed statement to the purchaser prior to the time you and the purchaser sign a contract to purchase your property or as otherwise agreed to in the contract. You should provide the purchaser a copy of this statement containing your signature and keep a copy signed by the purchaser for your records.

Initials: _____ Seller Date _____ Buyer _____ Date 11/6/12

Rev. 1/04

AS SELLER OF THE PROPERTY HEREIN IDENTIFIED, DO YOU HAVE KNOWLEDGE OF ANY PROBLEM, MALFUNCTION OR DEFECT WITH ANY OF THE FOLLOWING:

		Yes	No	No Representation
1.	Foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens), doors, ceilings, interior and exterior walls, attached garage, patio, deck or other structural components including any modifications? a. Siding: masonry ___ wood ___ composition/hardwood ___ vinyl ___ synthetic stucco ___ b. Approximate age of structure ___ Brick monolithic pour green house	☐	☑	☐
2.	Roof (leakage or other problem)? a. Approximate age of roof covering ___ steel roof 8yrs.	☐	☑	☐
3.	Water seepage, leakage, dampness or standing water or water intrusion from any source in any area of the structure?	☐	☑	☐
4.	Electrical system (outlets, wiring, panel, switches, fixtures, etc)?	☑	☑	☐
5.	Plumbing system (pipes, fixtures, water heater, etc)?	☑	☑	☐
6.	Heating and/or air conditioning? a. Heat source: furnace ___ heat pump ___ baseboard ___ b. Cooling source: central ___ wall/window unit(s) ___ c. Fuel source: electricity ___ natural gas ___ propane ___ oil ___ d. Approximate age of heating unit ___ /cooling unit ___	☑	☑	☐
7.	Water supply (including water quality, quantity and water pressure)? a. Water supply is: city/county ✓ community system ___ private well ✓ b. Water pipes are: copper ___ galvanized ___ PVC/CPVC ✓ poly butelene ___	☐	☑	☐
8.	Septic system? a. Type system: septic tank ✓ community system ___ connected to city/county system ___ city/county system available ___ b. Does the system require a pump? Yes ___ No ✓ c. Has the septic system been serviced/pumped during your ownership?	☐	☑	☐
9.	Appliances (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc)?	☑	☑	☐
10.	Present infestation, or damage WHICH HAS NOT BEEN REPAIRED from past infestation of wood destroying insects or organisms? a. Is there a transferable termite bond? Yes ___ No ✓	☐	☑	☐
11.	Drainage, grading or stability of soil or retaining structure?	☑	☑	☐
12.	Other built-in systems and fixtures? central vacuum ___ pool ___ hot tub ___ spa ___ attic fan ✓ exhaust fan ___ ceiling fan ✓ sump pump ___ irrigation system ✓ cable tv wiring or satellite dish ✓ security system ___ or other systems ___	☐	☑	☐

Initials ___ Seller ___ Date ___ Buyer ___ Date 12/16/12

REGARDING THE PROPERTY HEREIN IDENTIFIED, INCLUDING THE LOT, OTHER IMPROVEMENTS, AND FIXTURES LOCATED THEREON, DO YOU HAVE KNOWLEDGE OF ANY:

		Yes*	No	No Representation
13.	Room additions or other structural changes?	☐	☑	☐
14.	Environmental hazards (substances, materials or products) including asbestos, formaldehyde, radon gas, methane gas, lead-based paint, underground storage tank, toxic mold or other hazardous or toxic material (whether buried or covered), contaminated soil or water, or other environmental contamination?	☐	☑	☐
15.	Nuisances (noise, odor, smoke, etc.) affecting the property?	☐	☑	☐
16.	Previous damage caused by fire?	☐	☑	☐
17.	Violations or variances of building codes or zoning ordinances?	☐	☑	☐
18.	Restrictions to property use? (covenants or deed)	☐	☑	☐
19.	Utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?	☐	☑	☐
20.	Lawsuits, foreclosures, bankruptcy, tenancies, judgments, tax or other liens, proposed assessments or notice from any governmental agency that could affect title to the property?	☐	☑	☐
21.	Owners' association fees or "common area" expenses or assessments?	☐	☑	☐
22.	Flood hazards or that the property is in a federally-designated flood plain?	☐	☑	☐
23.	Rental, rental management, vacation rental or other lease contracts in place on the property at the time of closing?	☐	☑	☐
24.	Any outstanding charges owed by the tenant for gas, electric, water, sewerage, or garbage services provided to the property?	☐	☑	☐

***IF YOU ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS, PLEASE USE THE FOLLOWING SPACE FOR YOUR EXPLANATION AND ATTACH ANY RELEVANT PROFESSIONAL REPORTS.**

Initials: Rev. [illegible] Seller [illegible] Date ____ Buyer [illegible] Date 12/16/12

"Yes" explanations continued:

Owner(s) Acknowledgement

Property Address: 268 E Butternut Rd Summerville SC 29483

The property is currently: owner-occupied ✓ leased ___ in an estate ___ in foreclosure ___
vacant ___ (If vacant, how long? ___)

Owner's Name(s): Tom Ferro

Owner(s) acknowledge has/have examined this statement before signing and that all information is true and correct as of the date signed.

Owner Signature: _____ Date: 12-16-12

Owner Signature: _____ Date: 12/16/12

Purchaser(s) Acknowledgement

Purchaser(s) acknowledge receipt of a copy of this disclosure statement; that he/she has examined it before signing; that he/she understands that this is not a warranty by owner or owner's agent; that it is not a substitute for any inspections he/she may wish to obtain; and that the representations are made by the owner and not the owner's agent(s) or subagent(s). Purchaser(s) are encouraged to obtain his/her own inspection by a licensed home inspector or other professional.

Purchaser Signature: _____ Date: 12/16/12

Purchaser Signature: _____ Date: _____

(This form is approved by the South Carolina Real Estate Commission.)

DUAL AGENCY AGREEMENT

THIS DOCUMENT IS A MODIFICATION TO THE SELLER'S LISTING AGREEMENT AND THE BUYER'S AGENCY REPRESENTATION AGREEMENT.

This Dual Agency Agreement is entered into between Molly M. Morphew, Buyer, and The Group, Llc Real Estate Company, Thomas Ferro, Lorraine Ferro, Seller, and The Group, Llc Real Estate Company for Property located at 788 E. Butternut (6 Acres), Summerville, 29483.

The term "Broker" includes the real estate firm, broker-in-charge and associated licensees.

1. **DUAL AGENCY:** Seller and Buyer agree that Broker shall serve as both Seller's agent and Buyer's agent in the sale of Seller's property to Buyer in accordance with Section 40-57-137(M)(1) of the South Carolina Code of Laws, which provides in part that "...In acting as a dual agent, a licensee represents clients whose interest may be adverse and that agency duties are limited." The parties agree that without permission from the party about whom the information pertains, Broker shall not disclose to the other party the following information:
   a) That a party may agree to a price, terms, or any conditions of sale other than those offered;
   b) The motivation of a party for engaging in the transaction, unless disclosure is otherwise provided by state law or regulation; and
   c) Any information about a party which that party has identified as confidential unless disclosure is otherwise required by state law or regulation.
2. **BROKER'S DUAL AGENCY ROLE:** Because Broker is serving as Agent for both Seller and Buyer in this transaction, Broker shall make every reasonable effort to represent Seller and Buyer in a balanced and fair manner. Broker shall also make every reasonable effort to encourage and effect communication and negotiation between Seller and Buyer. Seller and Buyer understand and acknowledge that:
   a) Prior to the time this agreement was entered into, Broker acted as the exclusive Agent of Seller and acted as exclusive Agent of Buyer.
   b) In those separate roles Broker may have obtained information which, if disclosed, could harm the bargaining position of the party providing such information to Broker.
   c) Broker is required by law to disclose to Seller and Buyer any known material facts concerning the property or the transaction. Seller and Buyer agree that Broker shall not be liable to either party for (1) disclosing known material facts concerning the property required by law to be disclosed and (2) refusing or failing to disclose other information the law does not require to be disclosed which could harm or compromise one party's bargaining position but could benefit the other party.
3. **SELLER'S AND BUYER'S ROLES:** Because of Broker's Dual Agency relationship, Seller and Buyer understand and acknowledge that:
   a) Seller and Buyer have determined that the advantages of entering into this Dual Agency Agreement, with Broker acting as Agent for both, outweigh the disadvantages.
   b) Seller and Buyer each have the responsibility of making their own decisions as to what terms are to be included in any agreement to buy and sell between the Seller and Buyer.
   c) Seller and Buyer are fully aware of, and understand, the implications and consequences of Broker's Dual Agency role as expressed herein to provide balanced and fair representation of Seller and Buyer and to encourage communication between Seller and Buyer rather than acting as an advocate or exclusive agent.
   d) Seller and Buyer agree to indemnify and hold Broker harmless against all claims, damages, losses, expenses, or liabilities, other than violations of the South Carolina Real Estate License Law and intentional wrongful acts, arising from Broker's role as a Dual Agent.
   e) Seller and Buyer may seek independent legal counsel to assist them with the negotiation and preparation of a buy and sell agreement or with any matter relating to the transaction which is the subject matter of a buy and sell agreement.
4. **PREVIOUS AGENCY AGREEMENTS:** The parties agree that this Agreement shall modify any agency agreements previously entered into by Seller and Broker or between Buyer and Broker. If those previous agency agreements contain expiration or termination dates prior to the termination date for this Agreement as set forth below, the expiration or termination dates of the previous agency agreements are hereby extended until the termination of this Agreement. If this Agreement terminates prior to the termination date of any previous agency agreement, the previous agency agreement shall remain in force and effect in accordance with its terms. In any areas where this Agreement contradicts or conflicts with those agency agreements, this Dual Agency Agreement shall control.
5. **DURATION OF DUAL AGENCY:** The term of this Agreement shall commence when this document is executed by Seller, Buyer and Broker, and unless extended by written agreement of all parties, shall terminate upon the closing of the sale of the property.

6. FAIR HOUSING: The Broker shall conduct all brokerage activities in regard to this Agreement without regard to race, color, religion, sex, handicap, familial status, or national origin and shall conduct business in full compliance with local, state, and federal fair housing laws.

7. FACSIMILE AND OTHER ELECTRONIC MEANS: The parties agree that the execution of this dual agency agreement or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

8. COUNTERPARTS: This Agreement may be executed in two or more counterparts, each of which shall be deemed original, but all of which together shall constitute one and the same instrument, and in pleading or proving any provision of this Agreement it shall not be necessary to produce more than one such counterpart.

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A SIGNED COPY OF THIS DUAL AGENCY AGREEMENT.

Seller Thomas Ferro — Date 12/16 — Time

Seller Lorraine Ferro — Date 12/16/12 — Time

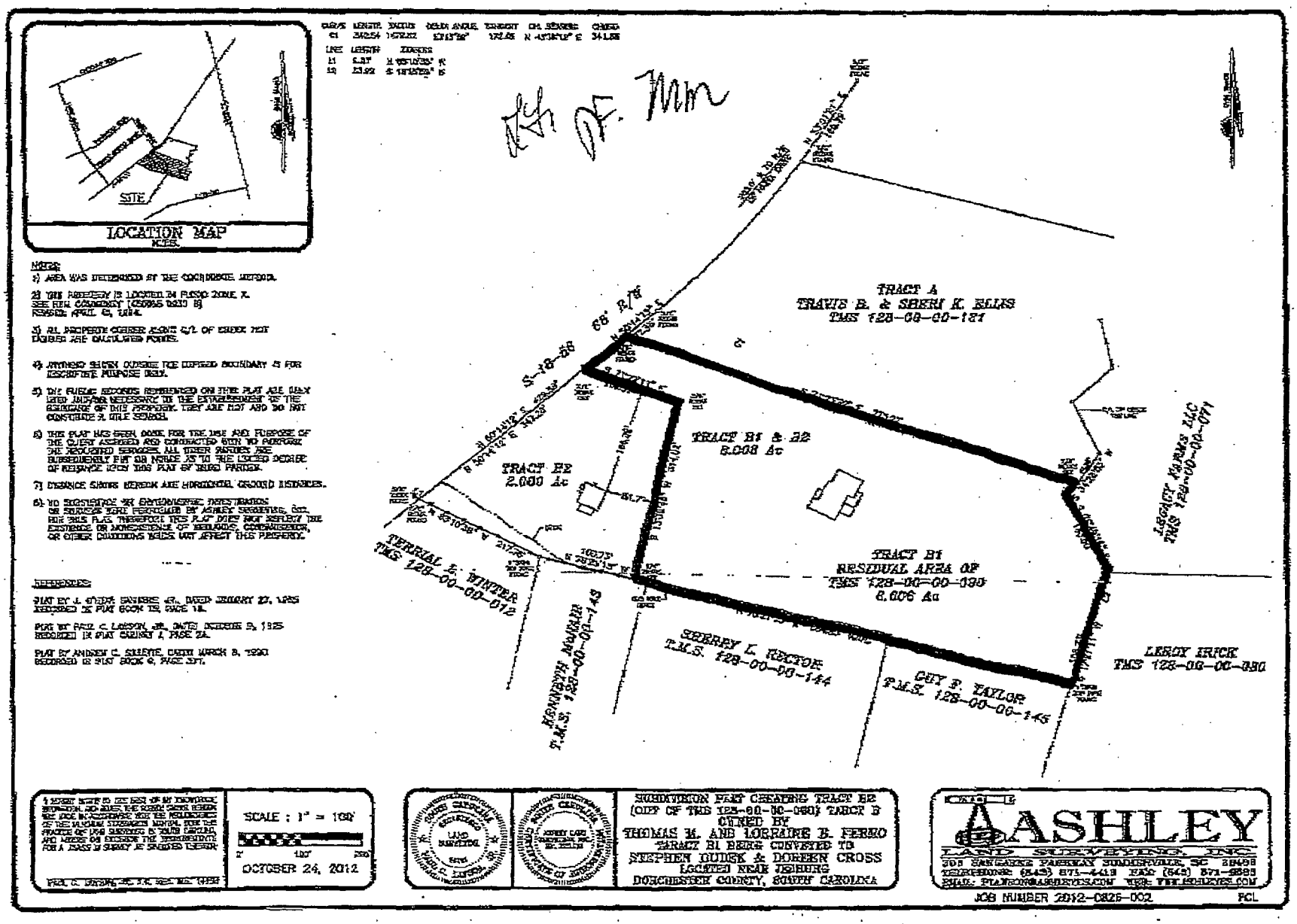
Buyer Molly M. Morphew — Date 12/16/12 — Time

Buyer — Date — Time

The Group, Llc
Real Estate Brokerage (Name of Real Estate Co.)

By: Broker/Assoc. Licensee — Date 12-16-12
Rick Willis

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NOTES:

1) AREA WAS DETERMINED BY THE COORDINATE METHOD.

2) THIS PROPERTY IS LOCATED IN FLOOD ZONE X.
SEE FIRM COMMUNITY (250049 0210 B)
REVISED: APRIL 05, 1984.

3) ALL PROPERTY CORNER MONUMENTS ARE 5/8" OF REBAR WITH CAPS UNLESS NOTED OTHERWISE. ALL BEARINGS AND DISTANCES ARE CALCULATED POINTS.

4) ANYTHING SHOWN OUTSIDE THE DEFINED BOUNDARY IS FOR DESCRIPTIVE PURPOSE ONLY.

5) ANY EASEMENTS REFERENCED ON THIS PLAT ARE USED LISTED AND/OR NECESSARY AT THE ESTABLISHMENT OF THE ISSUANCE OF THIS PERMISSION. THEY ARE NOT AND DO NOT CONSTITUTE A TITLE SEARCH.

6) THIS PLAT HAS BEEN DONE FOR THE USE AND PURPOSE OF THE CLIENT ASSIGNED AND CONTRACTED WITH TO PURPOSE THE REQUIRED SERVICES. ALL OTHER PARTIES ARE SUBSEQUENTLY PUT ON NOTICE AS TO THE LIMITED SCOPE OF REFERENCE UPON THIS PLAT BY SAID PARTIES.

7) DISTANCE SHOWN HEREON ARE HORIZONTAL GROUND DISTANCES.

8) NO RESEARCH OR ENVIRONMENTAL INVESTIGATION OR SERVICES WERE PERFORMED BY ASHLEY SURVEYING, INC. FOR THIS PLAT. THEREFORE THIS PLAT DOES NOT REFLECT THE EXISTENCE OR NONEXISTENCE OF WETLANDS, CONTAMINATION, OR OTHER CONDITIONS WHICH MAY AFFECT THIS PROPERTY.

REFERENCES:

PLAT BY J. STOCK ENGINEERS, JR., DATED JANUARY 27, 1955
RECORDED IN PLAT BOOK 10, PAGE 18.

PLAT BY PAUL C. LAWSON, JR., DATED DECEMBER 5, 1975
RECORDED IN PLAT CABINET I, PAGE 24.

PLAT BY ANDREW C. SILVERIE, DATED MARCH 8, 1990
RECORDED IN PLAT BOOK 9, PAGE 321.

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STATE OF SOUTH CAROLINA

COUNTY OF DORCHESTER

IN THE COURT OF COMMON PLEAS
FOR THE FIRST JUDICIAL CIRCUIT
CASE NO. 2013-CP-18-74

Stephen Dudek and Doreen Cross

Plaintiffs,

vs.

Thomas M. Ferro and Lorraine B. Ferro

Defendants

CERTIFIED COPY
2013 FEB -4 AM 11:46
CLERK OF COURT
DORCHESTER COUNTY

ANSWER

COME NOW the Defendants Thomas M. Ferro and Lorraine B. Ferro in answering the allegations of the Complaint on file herein, affirms, denies and alleges as follows:

1. **Answering the allegations of Paragraph 1 of the Complaint herein, Defendants can neither affirm nor deny all facts stated due to lack of knowledge.**
2. **Answering the allegations of Paragraph 2-5 of the Complaint herein, Defendants affirms all facts.**
3. **Answering the allegations of Paragraph 6 of the Complaint herein, Defendants deny all allegations.**

Paragraph 3 of the Agreement: Plaintiff non-compliance:

(Conveyance Shall Be Made)

-Plaintiffs did not close per contract **"TIME IS OF THE ESSENCE"** closing date, November 30, 2012.

Supporting statements:

- No closing date requested or set on or before contract closing date of November 30, 2012.

- No closing date ever requested or set on or before December 15th, 2012.
- No closing date ever set requested or on or before December 21st, 2012.
- No closing date ever set requested or between Plaintiffs and closing attorney.
- No closing date ever requested or ever sent to Defendants to close on a specified date, time or place.

Paragraph 8 of the Agreement: Plaintiff non-compliance: (Loan Processing and Application):

-Did Plaintiffs apply for a maximum 90% loan within 10 consecutive days from the ratification of said Agreement? If so, what date? What lender?

-Plaintiffs did not "provide Seller with written satisfactory loan approval within 20 consecutive days that contains no credit, income or asset conditions, unless otherwise set forth in this contract. **"TIME IS OF THE ESSENCE"**.

Supporting statements:

- On what date did Plaintiffs apply for the loan?
- On what date did lender provide Plaintiffs with written satisfactory loan approval that contained no credit, income or asset conditions?
- Loan approval letter dated December 12, 2012; 49 days after ratification of Agreement. Was this an approval letter that contained no credit, income or asset conditions?

- Defendants received approval letter on December 17, 2012; 54 days after ratification of Agreeement, 17 days after **"TIME IS OF THE ESSENCE"** contract closing date, and 2 days after "Extension Agreement" (not a Formal Extension Proposal) clause period, end date December 15, 2012, as implied by Plaintiff within contract (Paragraph 12).

- Loan approval letter contained credit and/or income and/or asset conditions. Lender approval stated "approval" was contingent upon these Conditions stated below: Note: Income and employment hadn't been reviewed as of December 12, 2012. Note: Appraisal had not been received by lender as of December 12, 2012.

  1. This commitment is being issued subject to the receipt and review of an appraisal prepared for and ordered by First Federal. Was this done and if so, on what date?
  2. The attached flood certification must be signed, dated and returned by fax or mail. Was this done and if so, on what date?
  3. First Federal to request IRS transcripts for the last 2 years- Receipt and review of these transcripts. Was this done and if so, on what date?
  4. First Federal to obtain verbal verification of employment prior to closing. Was this done and if so, on what date?
  5. Please provide all First Federal disclosures signed and dated. Was this done and if so, on what date?

6. Legible copy of the sales contract and all addendums. Was this done and if so, on what date?

-Did Plaintiff provide the lending company all information and documents in prompt and timely manner? Per Agreement: "Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner".

- On what date did Plaintiffs apply for the loan?
- On what date did lender provide Plaintiffs with written satisfactory loan approval that contained no credit, income or asset conditions?
- Did lender's loan approval letter make any written requests as to CL-100 issues?
- On what date was Plaintiffs' credit initially pulled?
- On what date did the lender request Plaintiffs confirmation of employment?
- On what date did the lender receive all information needed for Plaintiffs verification of employment and income?
- On what date did each Plaintiff provide to lender copies of their tax returns for 2010 and 2011?
- On what date did Plaintiffs provide the lender their bank statements, W-2's, pay stubs and or 1099's?
- How many times and on what dates did the lender have to ask Plaintiffs to provide additional information to them?
- On what date was the appraisal ordered?
- Were Plaintiffs requested to pay in advance for the appraisal prior to being ordered?
- If Plaintiffs were required to pay for the appraisal in advance, when was the payment check written and when did the Plaintiffs authorize the lender to order it?
- When did the lender receive ALL information and documents requested from the lender?
- When did the lender submit loan documents for Underwriters approval?

- Is the Plaintiffs lender a mortgage brokerage firm or mortgage banker?
- Does the Plaintiffs lender fund or close loans internally?
- When was the title work completed?
- When was the soonest date the lender and closing attorney prepared to close?
- Did lender or closing attorney ever receive a "clear to close" notice? If so, on what date?

-Did the Plaintiff diligently pursue the application? Per Agreement, "Should the Buyer fail to make loan application or.....and to diligently pursue the application, the Seller shall have the option to terminate this Agreement with written notice".

Supporting statements:

- As of December 16, 2012, when Defendants issued termination letter to Plaintiffs, they had not yet received a lender approval notice or request to close.

- Loan approval letter dated December 12, 2012, was issued 49 days after contract ratification. Defendants did not receive this lender approval letter, with contingencies, until December 17th, 2012 (after Defendants issued their termination letter and 54 days after contract ratification).

- As of December 16, 2012, Defendants had the right to terminate the **"TIME IS OF THE ESSENCE"** Agreement. Termination letter sent December 16, 2012; 16 days past **"TIME IS OF THE ESSENCE"** contract closing date of November 30, 2012 and 1 day past "Extension" Clause (not a Formal Extension Proposal) contained within Agreement (Paragraph 12).

-Per Paragraph 8 of Agreement, "If Buyer fails to comply with these above contingencies, Buyer shall be in default of this

agreement, subject to the terms of paragraph 16." Paragraph 16 being "Default", which allows the Defendants to terminate said Agreement.

Paragraph 12: (Extension Agreement) (not a Formal Extension Proposal): Plaintiff non-compliance:

-Plaintiffs did not close on or before December 15, 2012, the contract "extension clause" (which is not a Formal Extension Proposal) period of 15 days from contract closing date November 30th, 2012.

- No closing date ever set or requested on or before December 15th, 2012.
- No closing date ever set or requested on or before December 21st, 2012.
- No closing date ever set or requested between Plaintiffs and closing attorney.
- No verification that there was lender approval to close on or before December 21, 2012.
- No verification Plaintiff's closing attorney was set to close on or before December 21, 2012.

NOTE: Defendants understand, per Real Estate Attorney, Extension Agreement Clause (not a Formal Extension Proposal) is not an automatic extension from the original contract closing date. Extension Clause is to protect both Buyer and Seller in case a contingency was not satisfied through no fault of the Buyer or Seller (i.e., natural cause such as damage to the home, via storm, fire, etc., and to include but not limited to, accidents, and other

emergencies, etc). This does not cover Plaintiff's failure to obtain a satisfactory loan approval within contract terms due to lack of due diligence and providing lender's required documents in a timely manner.

In regards to a Formal Extension Proposal:

- Defendants never agreed to or signed a Formal Extension proposal.

Paragraph 16: (Default):

Plaintiffs failed to perform several covenants of this agreement.

- Paragraph 3, repeated as stated above.
  Defendants chose to terminate the contract due to the Plaintiffs failing to perform on or before the Agreement's closing date. Therefore Plaintiffs defaulted and are in breach of contract.

- Paragraph 8, repeated as stated above.
  Defendants chose to terminate the contract due to Plaintiff's failure to perform the loan processing and application within specified time, which caused a failure to perform Paragraph 3. Therefore Plaintiffs defaulted and are in breach of contract.

- Paragraph 12, repeated as stated above.
  Plaintiffs are claiming the "Extension" clause of said Agreement. Plaintiffs failed to perform the "extension" (not a Formal Extension Proposal) covenant of the agreement (reference Paragraph 12). Therefore Plaintiffs defaulted and are in breach of contract.

4. **Answering the allegations of Paragraph 7 of the Complaint herein, Defendants deny all allegations.**

Answering Count 1 - Defendants did not receive any written or verbal demands to close the transaction.

- No closing date ever set or requested on or before November 30, 2012 for Defendants to refuse.

- No closing date ever set or requested on or before December 15th, 2012 for Defendants to refuse.

- No closing date ever set or requested on or before December 21st, 2012, for Defendants to refuse.

- No closing date ever set or requested between Plaintiffs and closing attorney for Defendants to refuse.

- No closing date ever requested or ever sent to Defendants to close on a specified date, time or place.

Answering Count 2 - Defendants did not refuse, in writing, actions or verbally, at any time during the terms of the contract, to close the transaction.

- E-mail dated November 23, 2012, from Defendant's broker to Plaintiff's broker, "Is everything on track to close next week?"

- E-mail dated November 26th, 2012, from Defendant's broker to Plaintiff's broker, "Has the closing time been set for the property? If we could please know the place where it will occur that would be helpful also."

- No closing date ever set or requested on or before Agreement's closing date of November 30, 2012 for Defendants to refuse to close.

- No closing date ever set or requested on or before December 15, 2012 for Defendants to refuse to close.

- **NO CLOSING DATE EVER REQUESTED OR EVER SENT TO DEFENDANTS TO CLOSE ON A SPECIFIED DATE, TIME OR PLACE.**

Answering Count 3 - Defendants affirm they are currently refusing to close the "terminated" transaction due to Plaintiffs default and breach of contract.

- Repeated as stated above, Paragraph 3: (Conveyance Shall Be Made)
- Repeated as stated above, Paragraph 8: (Loan Processing and Application)
- Repeated as stated above, Paragraph 12: (Extension Agreement) (not a Formal Extension Proposal)
- Repeated as stated above, Paragraph 16: (Default)

5. **Answering the allegations of Paragraph 8 of the Complaint herein, Defendants deny all allegations.**

Defendants allege they are not in breach of contract.

Paragraph 12: (Extension Agreement) (not a Formal Extension Proposal):

- Plaintiffs assumed an automatic extension, though this clause is not an automatic extension, to either Party, from the original contract closing date. Extension Clause is to protect both Buyer and Seller in case a contingency was not satisfied through no fault of the Buyer or Seller (i.e., natural cause such as damage to the home, via storm, fire, etc., and to include but not limited to, accidents, and other emergencies, etc).

- The formal Extension Proposal sent by Plaintiff's broker was not agreed upon by the Defendants.

Paragraph 16: (Default):

- Defendants chose to terminate the contract due to the Plaintiffs failing to perform the closing due date covenant of the agreement.

- Defendants chose to terminate the contract due to the Plaintiffs failing to close by the "extension" (assumed by the Plaintiffs and not a Formal Extension Proposal) covenant of the agreement (reference Paragraph 12).

- Defendants sent a written notice per Agreement terms on December 16, 2012.

  - Per Agreement, Paragraph 16, "...if Buyer or Seller fails to perform any covenant of this agreement, the other.....or terminate this Agreement with a 5 day written notice."

  - Understood by attorney, the "5 day written notice" requires the Plaintiff to respond and sign the termination agreement within 5 days. Per Agreement, the stated "5 day written notice" does not give the Buyer the automatic "right to cure" within 5 days. In order to allow the Plaintiff "the right to cure", the Agreement must state, "a right to cure".

Paragraph 19, Section (D) (Wood Infestation Report):

- Defendants complied per contract. Documents to be furnished on or before closing. As stated in Paragraph 19 (D), closing date never set or requested, and therefore information on CL-100 never supplied to closing attorney, and not requested in lender's approval letter.

6. Answering the allegations of Paragraph 9 of the Complaint herein, Defendants deny all allegations.

- Defendants deny all allegations to a breach of contract, answers contained in the preceding paragraph of Answer to Complaint #8 are to be incorporated herein as if specifically repeated. Therefore, damages, if any, were not caused by the Defendants.

7. Answering the allegation of Paragraph 10 of the Complaint herein, Defendants deny the allegation.

- Defendants deny that the Plaintiffs are entitled to a judgment against the Defendants. Defendants state they have performed no breach of contract, answers contained in the preceding paragraph of Answer to Complaint #8 are to be incorporated herein as if specifically repeated.

8. Answering the allegation of Paragraph 11 of the Complaint herein, that the Defendant's answers contained in the preceding paragraphs are incorporated herein as if specifically repeated.

9. Answering the allegations of Paragraph 12 of the Complaint herein, Defendants affirm all facts.

10. Answering the allegations of Paragraph 13 of the Complaint herein, Defendants affirm all facts.

11. Answering the allegations of Paragraph 14 of the Complaint herein, Defendants affirm all facts.

12. Answering the allegation of Paragraph 15 of the Complaint herein, Defendants affirm "TIME IS OF THE ESSENCE" contract dated October 24, 2012, and to close on or before November 30th, 2012, "TIME IS OF THE ESSENCE" closing date, constitutes an agreement that is fair, just and equitable.

13. **Answering the allegation of Paragraph 16 of the Complaint herein, Defendants deny the allegation in regards to previous compliance. Defendants can neither confirm nor deny the allegation the Plaintiffs are able to comply with the contract's terms**

- Defendants deny the Plaintiffs have complied with all terms of the Agreement, answers contained in the preceding paragraph of Answer to Complaint #6 are to be incorporated herein as if specifically repeated.
- Defendants can neither confirm nor deny that the Plaintiffs are able to comply with the contract term due to lack of knowledge.

14. **Answering the allegation of Paragraph 17 of the Complaint herein, Defendants deny the allegation.**

- Defendants deny that the Plaintiffs are entitled to an order of the court to direct the Defendants to specifically perform the contract.

Answering Count 1 - Defendants deny that Plaintiffs are entitled to an order of the court, answers contained in the preceding paragraph of Answer to Complaint #6, #7 and #8 are to be incorporated herein as if specifically repeated.

Answering Count 2 - Defendants deny that they should be compelled by the Court to specifically perform the contract of the parties. Defendants deny they performed a breach of contract, answers contained in the preceding paragraph of Answer to Complaint #8 are to be incorporated herein as if specifically repeated.

The Defendants now brings forth the following Affirmative Defenses:

FIRST AFFIRMATIVE DEFENSE - Failure to State a Claim

As a First and Separate Affirmative Defense, the Defendants answering the Complaint herein, allege that all allegations and counts brought forth therein fails to state a claim for which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

As a Second and Separate Affirmative Defense, the Defendants answering the Complaint herein, allege that the Plaintiffs have failed to undertake prudent and necessary steps to secure contract and, as such, the Plaintiffs solely and proximately caused the damages complained of, if any, as alleged in Plaintiff's complaint.

THIRD AFFIRMATIVE DEFENSE

As a Third and Separate Affirmative Defense, the Answering Defendants allege that the Plaintiffs have failed to respect and comply with the **"TIME IS OF THE ESSENCE"** condition specifically stated within Agreement.

FOURTH AFFIRMATIVE DEFENSE

As a Fourth and Separate Affirmative Defense, the Answering Defendants allege that the **"TIME IS OF THE ESSENCE"** Agreement between Plaintiff and Defendant is null and void.

FIFTH AFFIRMATIVE DEFENSE

As a Fifth and Separate Affirmative Defense, the Answering Defendants allege that the Plaintiffs are in breach of contract.

SIXTH AFFIRMATIVE DEFENSE

As a Sixth and Separate Affirmative Defense, the Answering Defendants reserve the right to amend and/or add additional Answers, Defenses and/or Counterclaims at a later date.

SEVENTH AFFIRMATIVE DEFENSE

As a Seventh and Separate Affirmative Defense, the Answering Defendants respectfully state the court would unjustly enrich the Plaintiffs by granting the relief sought herein.

WHEREFORE, the Defendants ask the Court for judgment,

a. dismissing the complaint herein with prejudice,
b. dismissing the Lis Pendens against property stated in Agreement,
c. granting written release from said Agreement,
d. in addition, Defendants pray that the Plaintiffs take nothing and the Defendants have judgment against the Plaintiffs and recover the costs of suit herein, and such other relief the court may deem proper.

VERIFICATION AND ACKNOWLEDEMENT

To the best of my knowledge, information and belief the information, contained in the document is well grounded in fact and is warranted by existing law.

I have not been determined by any court of South Carolina or in any other State to be a frivolous litigant or subject to an Order precluding me from serving and filing this document.

I am not serving or filing this document for any improper purpose, such as to harass the other party, nor to cause delay or needless increase in the cost of litigation or to commit a fraud on the court.

Dated this 31st day of January, 2012

Thomas M. Ferro
788 East Butternut Rd.
Summerville, SC 29483

Lorraine B. Ferro
788 East Butternut Rd.
Summerville, SC 29483

NOTARY PUBLIC
(SIGNATURE)

(SEAL)

State of KY

County of Warren

On this, ~~2nd~~ 1st day of February, 2013, before me a notary public, the undersigned officer, personally appeared Thomas M. Ferro and Lorraine B Ferro __, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained. In witness hereof, I hereunto set my hand and official seal.

Ginger Cleary
Notary Public (PRINT)

exp. 11-3-2013

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOR THE FIRST JUDICIAL CIRCUIT
COUNTY OF DORCHESTER	)	CASE NO. 2013-CP- 18- 183
Molly M. Morphew	)	
	)	
Plaintiff,	)	
	)	ANSWER TO COMPLAINT
vs.	)	AND CROSS CLAIM
	)	
Thomas Ferro, Lorraine Ferro,	)	
Stephen Dudek and Doreen Cross	)	
	)	

The Defendants, Stephen Dudek and Doreen Cross, by their undersigned attorney, hereby answer the Complaint (the Complaint) of Plaintiff, and alleges as follows:

1. That any and all allegations contained in the Complaint not specifically admitted or denied, are hereby denied and strict proof is demanded thereof.

2. That the Defendants admits the allegations contained in Paragraph One of the Complaint.

3. That the Defendants deny the allegations contained in Paragraph Two of the Complaint and would affirmatively state that the Defendants Thomas Ferro and Lorraine Ferro are citizens and residents of the County of Dorchester, State of South Carolina.

4. That the Defendants admit the allegations contained in Paragraphs Three, Four, Five and Six of the Complaint.

5. That the Defendants admit the allegations contained in Paragraph Eight of the Complaint.

6. That the Defendants deny the allegations contained in Paragraphs Nine, Ten, Eleven and Twelve of the Complaint and demand strict proof thereof.

7. That the Defendants would admit so much of the allegations contained in Paragraph Thirteen of the Complaint that state that time was of the essence in the contract but would aver to the contract itself as being the best evidence of its terms.

8. That the Defendants would admit so much of the allegations contained in Paragraph Fourteen of the complaint that state that the contract contains said language but would affirmatively state that they were not in default pursuant to the terms of the contract.

9. That the Defendants would deny the allegations contained in Paragraph Fifteen of the complaint and would demand strict proof thereof.

10. That the Defendants do not have sufficient information with which to either admit or deny the allegations contained in Paragraph Sixteen of the Complaint and would demand strict proof thereof.

11. That the Defendants would admit so much of the allegations contained in Paragraph Seventeen of the Complaint that state that the 2nd Contract contains the aforementioned language bit would specifically aver to the contract itself as being the best evidence of the terms thereof.

12. That the Defendants do not have sufficient information with which to either admit of deny the allegations contained in Paragraph Eighteen of the Complaint and demand strict proof thereof.

13. That the Defendants deny the allegations contained in Paragraphs Nineteen and Twenty of the Complaint and demand strict proof thereof.

14. That the Defendants deny the allegations contained in Paragraphs Twenty-Two, Twenty-Three, Twenty-Four and Twenty-Five of the Complaint and demand strict proof thereof.

15. That the Defendants do not have sufficient information with which to either admit of deny the allegations contained in Paragraph Twenty-Six of the Complaint and demands strict proof thereof.

16. That the Defendants deny the allegations contained in Paragraph Twenty-Seven of the Complaint and demand strict proof thereof.

17. That the Defendants do not have sufficient information with which to either admit of deny the allegations contained in Paragraphs Twenty-Nine, Thirty, and Thirty-One of the Complaint and demand strict proof thereof.

18. That the Defendants deny the allegations contained in Paragraph Thirty-Two of the Complaint and demand strict proof thereof.

19. That the Defendants don not have sufficient information with which to either admit or deny the allegations contained in Paragraphs Thirty-Three, and Thirty-Four of the Complaint and demand strict proof thereof.

20. That the Defendants deny the allegations contained in Paragraph Thirty-Five of the Complaint and demand strict proof thereof.

21. That the Defendants deny the allegations contained in Paragraphs Thirty-Seven, Thirty-Eight, Thirty-Nine, Forty, Forty-One and Forty-Two of the Complaint and demand strict proof thereof.

FURTHER ANSWERING THE COMPLAINT
AND AS A FIRST AFFIRMATIVE DEFENSE
(Reservation of Additional Defenses)

22. The Defendants reallege and reaver the allegations of the preceding paragraphs as though fully restated herein.

23. The Defendants hereby give notice that they intend to rely upon such other affirmative defenses as may become available or apparent during the course of discovery, and thus reserves the right to amend his Answer to assert any such defense.

FURTHER ANSWERING THE COMPLAINT
AND AS A SECOND AFFIRMATIVE DEFENSE
(Estoppel by Conduct)

24. The Defendants realleges and reavers the allegations of the preceding Paragraphs as though fully restated herein.

25. That the Plaintiff by her actions have breached certain duties owed the Defendants and, therefore, Plaintiff should be estopped from bringing the claims made in its Complaint due to its own conduct, and such constitutes a complete defense to the claims of the Plaintiff.

FURTHER ANSWERING THE COMPLAINT
AND AS A THIRD AFFIRMATIVE DEFENSE
(Rule 12(b)(6) Failure to State Facts Sufficient to State a Claim)

26. The Defendants realleges and reavers the allegations of the preceding paragraphs as though fully restated herein.

27. The Defendants allege that this action should be dismissed against them pursuant to Rule 12(b)(6), South Carolina Rules of Civil Procedure, for failure to state facts sufficient to constitute a cause of action.

FURTHER ANSWERING THE COMPLAINT
AND AS A CROSS-CLAIM AGAINST THE DEFENDANTS FERRO
(Attorney Fees)

28. The Defendants realleges and reavers the allegations of the preceding paragraphs as though fully restated herein.

29. That the contract between these Defendants and the Ferro Defendants provides that "If Buyer or Seller fails to perform any covenant of this agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred."

30. That the Ferros are in breach of their agreement to sell the subject property to these Defendants and have place these Defendants in a position requiring legal action to protect their rights and have further placed these Defendants in a position of having to defend themselves against this action.

31. That these Defendants are entitled to recover any and all attorneys fees incurred by them in this action and the underlying action.

WHEREFORE, having fully answered the Complaint of Plaintiff, the Defendant prays that this Court inquire into the matters set forth herein, dismiss the Complaint of Plaintiff with prejudice, grant them judgment on their Counterclaims and grant such other relief as the Court may deem just and proper.

LAW OFFICE OF DAVID A. COLLINS, LLC

David A. Collins (SC Bar 10294)
P. O. Box 40578
Charleston, SC 29423
(843)760-0220
Davidacollins2@aol.com
Attorney for the Defendants Dudek and Cross

February 19, 2013
North Charleston, South Carolina

A That is correct.
Q How long have you been there?
A I have been there 29 years.
Q As I understand it back in 2012 you and Mr. Dudek decided that you would look for a different place to live?
A Correct.
Q As part of that Ms. Nicholson was retained as your realtor to help you with that search?
A That is correct.
Q Did you sign an agency agreement or anything with her that you recall?
A No, I did not.
Q Was she always involved when you looked at properties?
A Yes.
Q She arranged the showings and went with you and that sort of thing?
A Correct.
Q Your house search prior to the property that we are here about today, you were interested in buying a house before that, is that right?
A That's correct.
Q That house was on Browning Road?
A That is correct.

Q Did you put an offer on it at the time?
A No, sir.
Q Did you go look at the house on Butternut after that?
A Yes, I did.
Q When was that?
A I saw it a second time on the 11th of October, approximately a week later.
Q Did you put an offer on that at that time?
A No I did not. Well, yes, I went back to the property again but I didn't look at it before I put in an offer.
Q After the second visit you put in the offer?
A That is correct.
Q What was the amount of your initial offer?
A My initial offer was $295,000.
Q As part of that initial offer, if you could look at what is behind tab 3 in the notebook, this would be Exhibit 3?
A You mean tab C?
Q Right behind tab C, yes ma'am. Is that a copy of the contract that you submitted on Butternut?
A It is missing addendum C, but it looks like it is the same.
Q This one has addendum A and addendum B?

A Correct.

Q And addendum C, Mr. Collins, I think has a copy of the contract, if I may your Honor -- do you have addendum C?

MR. COLLINS: I do, it is included in the stuff that we got from First Federal yesterday and to be honest with you it is the first time that I have seen it. It is a copy of the plat and the survey, while you are doing that John, I will find it.

MR. MASSALON: The file plat is actually in my exhibit notebook, Judge, under tab F.

MR. COLLINS: This one is tab I, Mr. Ferro, Exhibit C is.

THE COURT: Just so I can be clear, there is attached to a second contract that Mr. Massalon has put in the complaint, a plat, is that plat exhibit -- that is addendum C, the same plat in the first contract?

MR. COLLINGS: Yes, sir.

MR. MASSALON: If I may pass it up, your Honor, this is one, I will show it to you and then show it to the witness.

THE COURT: Okay.

Q Ms. Cross, I will show you the document that Mr. Collins just handed us, is that Exhibit C to the

contract that you submitted on Butternut?
A Yes, it is.
Q With that addition is the contract in the notebook a complete copy of the contract that you submitted on Butternut?
A It appears to be.
Q Can you think of anything that is missing?
A You want me to reread the addendum?
Q If you need to to answer the question you are welcome to, but I just want to make sure we are talking about the right contract?
A I can't read this.
Q Is it just illegible for you?
A It is illegible.
Q Let's see if we can get you a legible one?
MR. COLLINS: All of the copies that we have of the contract have the same problem, they have been copied so many times and I have got the copy, I believe, somewhere around here out of Susan Nicholson's file, but it is not signed by the Ferro's. I don't know if you want to use that, it is easier to read.
MR. MASSALON: I have one in the First Federal file. Your Honor, if I may perhaps that one might be more legible if I could show her where it is?

THE COURT: Sure.

Q Ms. Cross, this is a copy of the contract that is in the First Federal file and your Honor that is under tab P. Is that one anymore legible for you?

A Honestly --

Q If you look at the addendum there there are unsigned and signed copies of the addendum and the unsigned ones look pretty clear, the unsigned ones not so much, does that help though?

A No, I mean I can't read them if you wanted me to tell you if it says exactly what I had in there, I can't read this to tell you, but it appears to be the same document.

Q Mr. Collins is going to try to help us out.

MR. COLLINS: Remember John, that has not been signed by the Ferro's.

(Plaintiff's Exhibit 21 has been marked for identification.)

Q Take a look at that one and see if that helps.

A Thank you. Yes, sir, this appears to be the contract.

Q Mr. Collins told us that that is not signed by the Ferro's, but other than that --

A It does look like that.

Q Just a little bit about your negotiation, you

said that you initially offered 325 -- I'm sorry 295 for property, right?

A That is correct.

Q Then the Ferro's came back and said they wanted 325?

A That is correct.

Q Then you and Mr. Dudek responded with an offer of 303,000 which was accepted?

A Also $5,000 in paying closing cost.

Q To you?

A Correct.

Q So the monetary amount that was agreed on was that you would pay 303,000 and the Ferro's would give you $5,000 towards closing cost?

A That is correct.

Q When you submit the contract in paragraph three you purposed a closing date of 12/21, December 21?

A That is correct.

Q The Ferro's changed that to November the 30th?

A That is correct.

Q You accepted that change?

A I was hesitate, but I checked with sources, I checked with my banker and I asked my real estate agent her best advice and they both said that it could be tricky because you have to go through the county

and get the survey taken care of and the land subdivided prior to being able to do the appraisal on the home. So if the county was responsive and was able to give us that survey in a couple of weeks and everything on that home inspection went well then yes this could be done, they both told me this could be done.

Q So the answer to my question was yes, you agreed to a closing date of November the 30th?

A Yes.

Q If you would follow along with me in paragraph 3 and make sure I read this right because this is important, it says that the deed shall be delivered at the stipulated place of closing in transaction closed on or before November 30, 2012, no later than 9 p.m., time is of the essence?

A Yes, sir, that is what I read.

Q Now, you agree with me that that term is pretty clear?

A Yes, it is.

Q It says that you have to close by November 30th, correct?

A That is what this says. And there is also, further, there is a 15 day extension that is written in the contract.

Q Let's talk about that then, I was going to ask you later, but now is as good of time as any. Let's look over at paragraph 12, is what you are referring to, correct?
A Correct.
Q Paragraph 12 and again, just for everyone's benefit I will read it. If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party than both parties agree to extend this period not to exceed 15 consecutive days from the original closing date. Closing shall occur during this time extension and in no event shall closing occur later than the above extension date, time is of the essence. Did I read that right?
A Yes, sir, that is what I read.
Q So if the contract closing date of November 30 couldn't be met through no fault of yours or the Ferro's, your understanding was that you got 15 more days?
A Correct.
Q But in no event could the closing happen after December 15, 2013, right?
A I'm not a real estate agent so I don't know how strenuous this is and I do actually believe that there

was fault on parts of the seller.
Q But this prevision here is a no fault prevision, meaning it only applies if you're not in fault and they are not at fault, right?
A That is what it says.
Q In both of these paragraphs in paragraph 3 and in paragraph 12, the language time is of the essence is in bold and underlined, right?
A It is everywhere that it occurs in the contract, it is a standard 3, 10 document.
Q You said that you talked to both Ms. Nicholson and Ms. Williams at First Federal about that deadline before you agreed to it, right?
A Yes, sir.
Q Now, you mentioned the subdivision plat so if we can let's also talk for a minute about that. It is true, isn't it, that the property that the Ferro's owned was a total 8 acres that had a house and a barn on it, right?
A That is correct.
Q The agreement that you signed with them was not an agreement to purchase all of it?
A No, sir, it was not.
Q You all agreed to purchase 6 acres and the house?
A That is correct.

Q It has a bait stamp on it and again we have a problem with legible documents, but can you read the date that the plat was recorded?
A It is November 20, 2012.
Q So ten days before the deadline for closing specified in the contract?
A That is correct.
Q You actually got a copy of the recorded plat when?
A I received it on November 23.
Q How did you get a copy?
A According to what I have read through the communications, Mr. Ferro received that on the 20th and on the 22nd Ms. Willis forwarded it to Susan Nicholson and she forward it to me so I received it on the 22nd, not the 23rd.
Q Just for the Judge's benefit Ms. Willis is who?
A Ms. Willis is the realtor's wife, I believe.
Q For the Ferro?
A For the Ferro's.
Q Just to make sure I am straight on it, your understanding is that Mr. Ferro got a copy of the recorded plat on the 20th, gave it to his realtor --
A On the 23rd.
Q His realtor sent it to your realtor who sent it

to you?
A No.
Q Sorry, I was confused, straighten me out.
A Mr. Ferro received it on the 20th, he sent it to Mr. Willis on the 23rd in return Mr. Willis forwarded it back with the flag line on the e-mail of FYI, but actually Ms. Willis sent it out on the 22nd before it ever had a stamp on it so that one was tag lined a copy of the plat for the records. So Susan, Ms. Nicholson forwarded back that unstamped copy to me and to the bank, to Ms. Williams.
Q So you got it twice, you got an unstamped copy on of the 23rd and a stamped copy on the 24th?
A No, we got an unstamped copy on the 22nd, which was Thanksgiving day and on black Friday we got a stamped copy with a tag line of FYI, that was the e-mail, FYI was an attachment on it.
THE COURT: Let me ask one question, the addendum C was a copy of the plat that was going to be submitted to the planning purposes of the subdivision of the property?
MR. MASSALON: That is my understanding, your Honor.
MR. COLLINS: John, it occurs to me that it may be helpful if the Judge has a copy of this to

follow along.

THE COURT: I have a copy. You are talking about the timeline, correct?

MR. COLLINS: I'm talking about of the timeline she is referring to.

THE COURT: I just want to make sure when she is using the word 20th and not the month of the year -- the contract was signed on October 20th of 2012, I just wanted to clarify that addendum C was actually a prepared plat by Mr. Ashley, but it had not been submitted to planning for approval of the subdivision.

MR. MASSALON: That is my understanding.

THE COURT: Is that correct, Doreen?

A It had a stamp on it so I am assuming that it went through the channels on the 20th, I don't know the jargon.

Q That would be November 20th?

A November 20th.

THE COURT: The actually approval of the subdivision did not occur until November 20th which would have been approximately 30 days or one month after the contract was initiated and I guess it was ultimately agreed to sometime around the 22nd or so --

A 24th.

THE COURT: Thank you.

Q If I can refer you back to the contract and I will give you a moment to find it. Paragraph 8 of the contract, please?

A Yes, sir, I'm there.

Q Now, paragraph 8 had some obligations that you were required to meet to apply for your financing, is that right?

A That is correct.

Q Paragraph 8 required you to apply for financing within 10 days and provide the Ferro's with proof of financing within 20 days of the contract?

A Yes, sir.

Q We didn't talk about this before, but I think the Judge brought it up, you submitted the contract initially on October 20th, is that right?

A That is the date that we signed it and handed it off to Ms. Nicholson, so if she sent it -- it was a Saturday, I believe.

Q If we look over on page 6 of the contract we see that the Ferro's signed it on the 24th?

A Correct.

Q Using the 24th as a contract day that meant that you were required to apply for your financing no later than November the 3rd, right?

A That is correct.
Q And provide the Ferro's with proof of financing no later than November the 13th?
A That is correct.
Q Did you do that?
A Yes, sir.
Q Why do you think that you applied for financing within the deadline of the agreement?
A Because I provided the pre-approval for -- I applied for 295,000 and I didn't change it for 303. But I was applying for 80 percent of the loan, I was putting down 20 percent and I already filled out my loan application in May when I was putting an offer in on the house on Browning Road. So at that time I probably spent four or five hours filling out the application and getting all of the information again.

But at that point when I went back to the banker and said I'm interested in this house and I want to put an offer in on this house, she said the only thing that I need from you now are your pay stubs, the most recent pay stubs and the most recent bank statement and I believe she pulled a credit report. So I had already taken care of that and I asked her for an approval letter because that is what Ms. Nicholson asked for and she gave me that and I provided that to

Ms. Nicholson to provide to the Ferro's the same day that I signed the contract -- the same day that they signed, the 24th.

Q If you will look in the notebook under tab B?

A Yes, sir.

Q Exhibit 2 there is a copy of the letter that you are talking about, right?

A It is.

Q And it is dated October 22, 2012?

A Yes, sir.

Q That is two days before the Ferro's even signed the contract, is that right?

A Yes, sir.

Q You are telling us that this is based on a loan application that you filed back in May when you were looking at the Browning Road property?

A That is correct.

Q This says that you have been pre-approved for a purchase price of 295 and the purchase price for the house on Butternut was not 295, was it?

A No, sir, it was 303.

Q This pre-approval that we are talking about is contingent on an acceptable appraisal, loan documentation for credit review, right?

A Correct.

letter was -- October 22nd?
A You would have to ask my banker.
Q Now, paragraph 8 of the contract required you to furnish an unconditional loan approval, didn't it?
A Yes, sir.
Q This October 22, 2012 letter is not that, is it?
A I believe it is what was expected of me. In my heart I believe that that was what was expected of me and if it wasn't somebody should have let me know. I had crossed that off my list. I had no concern about paragraph 8 whatsoever.
Q It is not an unconditional loan approval, is it?
A No, I must get a good appraisal and I must keep the same income that I said that I had when I applied for the loan. That is not an unconditional.
Q It is a fact, isn't it, that you didn't apply for the loan to buy the Butternut Road property until December the 5th, 2012, right?
A I believe it started on December the 5th, but I contacted First Federal -- I was in constant communication with First Federal. I had insurance on the house for the 30th of November, I had everything in place. On the 5th all I had to do was provide her with a few things and it was good to go.
MR. MASSALON: Your Honor, if I may

approach and show her the loan application?

THE COURT: Sure.

Q Your Honor, I am referring her to a loan application that is under tab T and is part of the First Federal file and it is -- I don't have these pages numbered unfortunately because we just got it yesterday. Ms. Cross, the document that I showed to you, the First Federal file, do you recognize that as the uniform application letter dated December the 5th, 2012?

A I'm looking for the date, I am.

Q Mr. Collins has an excellent clear copy of it, I would be happy to pass it up to you if it would help?

A That would be great.

Q If you are looking for the date I might suggest you look over to the signature line on the sixth page?

A Okay then. I'm sorry Mr. Massalon. I don't see it.

Q Do you have a page that looks like that, if you keep flipping -- down below by Ms. Williams' signature there is a date of December the 5th, 2012, do you see that?

A Correct.

Q Actually it looks like you see your signature and Mr. Dudek's signature there?

A Yes.
Q It looks like you all didn't actually sign it until the 10th of December?
A That is correct.
Q The fact that this document here is the only loan application that you and Mr. Dudek filed for the Butternut Road property?
A I don't understand.
Q Sure. There is not an earlier loan application to buy the Butternut Road property, is there?
A No, there isn't.
Q Using the date that Ms. Williams signed it, that is over 40 days after you signed the contract to buy this property, right?
A It looks like it.
Q Looking back at the plat, if the plat was prepared on the 20th and recorded on the 20th, it is two weeks after that?
A Doesn't really matter when it was recorded if we don't get it.
Q You got it on the 23rd or 24th?
A Thanksgiving, right.
Q Using that date, 10 days after you got it?
A Whenever I received this through an encrypted message service from Ms. Williams. Everything was

filled out on it, all I had to go do was sign it and put the date on it. Now, it was the 10th that I did this, but the entire thing was complete and ready to go.

Q Well, what I was trying to do and lawyers are notoriously bad counters, so I might be wrong on this so check me, but if we use the last day, the day that you got the recorded plat as November the 24th and we count from that day until the 5th of December, how many days is that, 11 days, isn't it?

A Looks like it.

Q Fair for us to understand that you weren't waiting on of the plat to make your loan application, right?

A No, actually there was a huge confusion with the plat because the copy that we believed was the correct copy was being sent to everyone without a plat on it and causing problems so everyone was saying where is the plat number, why isn't this stamped, not even realizing that there was one that was under an FYI from Rick Willis, so there was confusion.

Q But whatever the confusion was about the plat, as soon as you got the plat the thing you did not do was run out and make your loan application immediately?

A I did not.

Q The reason was is because you were waiting to negotiate over repairs?
A No, that is not correct. We had negotiated that Mr. Ferro was going to take care of some electrical work, he was going to take care of some plumbing work and most importantly all the work that would be done would be done by a certified contractor and that never happened so I was waiting for Mr. Ferro to take me seriously and use a license contractor.
Q So let's switch gears a little bit and talk about the repairs. Now, as I understand your contract and I am looking here at addendum A, I believe, let me check and make sure -- yeah, addendum A of the contract, it basically said that you had to be totally satisfied with the home inspection reports and the CL100?
A Yes, sir.
Q After you signed the contract, after the Ferro's signed the contract on October the 24th, first thing that you did was schedule a home inspection?
A Immediately.
Q That happened on the 30th, I think, and you got the report on Halloween?
A That is correct.
Q After you got the report there were a number of conditions in the house that you were worried about?

sound?
A Mr. Ferro brought him out, Ms. Nicholson recommended him or gave him the name, I believe.
Q So a more accurate thing for me to say is a structural engineer came out and looked at the house?
A That is correct.
Q That person, when the engineer came and looked at the house, did that reinsure you that everything was okay?
A Not immediately.
Q And that engineers name was Mr. Brisbane [ph], right?
A That is correct.
Q So Mr. Brisbane came out and looked at the house and he did a report for you of the structural integrity of the house, right?
A Yes, sir.
Q As I recall you took that report to your nephew, who is also an engineer, and talked it out with him?
A Basically I had him take a look at the number page, I mean I understood the rest of it, I wasn't completely concerned, but I wanted to know that the numbers made sense. Because that is what I was concerned about, I was concerned about the structure because the piers were removed from under the house,

the piers were not supporting anything, they were just there. I didn't understand why all these piers were there, they were not touching the house.

Q When you say the numbers, what you are talking about are the calculations the Mr. Brisbane did?

A Tensile string, that kind of thing. The house is a fairly heavy house, it is made of steel and it has installed CompCore on the outside of it with rebar in it, so I was concerned about the structure.

Q So as I recall it you got Mr. Brisbane's report on November the 8th?

A That is correct.

Q Then you got your nephew to look at the calculations to either check him or double check him on it?

A After I read it.

Q After that by the end of November you were comfortable that the house was structurally sound?

A I was.

Q That did not address all of the concerns that you had about the house, just the structural part?

A That is correct.

Q By my recommending you and the Ferro's exchanged repair list on the 7th of November, which you mentioned and then again on the 12th of November, the

27th and the 30th, right?
A There may have been one more, but I don't have it written on here, but basically Mr. Ferro submitted the original, the items that he said that he would take care of and then Mr. Willis came back on the 12th and clarified what Mr. Ferro said and in effect changing what they agreed to do and what we really wanted. We couldn't see what was going on with the single line, we had submitted this form and what we really expected was for it to come back where it had been marked through and initialed I will do this, I won't do that, and that never happened.
Q You spent most of the month of November doing that back and forth with the Ferro's, right?
A Pretty much.
Q During that whole time you never filed your loan application?
A I was waiting on the structural engineer report to come back, as you mentioned it came back on the 28th of November.
Q Your contract doesn't say that you can wait to apply for financing until you get that, right?
A I need to know that the house is structurally sound.
Q That is because that is what Ms. Williams

recommended that you do, right?
A Ms. Williams never said anything about that.
Q She is not the one that recommended that you wait and apply for your loan after you were satisfied with the inspection?
A No she recommended, well I learned from her that I should probably make sure that the contingency were being met or that there was at least some sort of effort on the buyers part to take care of things according to the contract and whenever I felt that that was happening to let her know and she would start the loan.
Q Again, that is not what you saw in the contract, that is what you and Ms. Williams talked about?
A Correct.
Q If you would look for me under tab I in the notebook, tab I, which I think is Exhibit 10. In early December you got what you thought was a final list of repairs from Mr. Ferro, is that right?
A That's correct.
Q In this document, at the bottom, it appears that it is initialled by you and Mr. Dudek and Mr. and Mrs. Ferro?
A Correct.
Q There is a whole lot of handwriting on here, but

A No it was not.
Q If the bank was ready to go do you know why it wasn't scheduled that day?
A We were waiting on legible copies of the contract on December 4th that we never received and then there was a loan extension that we were waiting on, it was a clear CL100 that we were waiting on. So we were ready to go, but we needed these items to be able to close. Also the closing attorney was asking for something to do with the CL100, they need some sort of contractor to come in and say that either this damage is not significant enough to repair or this is damage that needed to be repaired or something like that.
Q So you really weren't ready to go on the 14th because there were things that weren't resolved?
A No, sir. I was ready to go on the 14th. The only thing that prevented me from doing that was not receiving the information from the seller.
Q That information you say was a legible copy of the contract?
A Correct.
Q A report from the contractor that the termite damage had been repaired?
A Or that they didn't need to be repaired.
Q That is it?

A No, that is not it. And I don't have my notes in front of me, but I know there is more than that. But everything that we needed was something that came from the seller.
Q Did Ms. Williams tell you that she was ready to go?
A Yes, she did.
Q If she tells me something different when she testifies would she know best?
A How do I answer something like that?
THE COURT: You don't need to answer that question.
Q Okay. Now, the appraisal, do you know when that got done?
A Yes, sir.
Q When was that?
A It was ordered on the 6th of December and it was returned on the 14th of December.
Q How about the title work, do you know if the closing attorney had done the title work?
A I was once removed from the title information, Ms. Nicholson would know better about that and perhaps Ms. Williams.
Q You mentioned that you had asked for an extension of the deadline?

A At Mr. Willis' recommendation. I thought that we could make it by the 15th, but he urged Ms. Nicholson to fill this out and once we had the request to send to the Ferro's to fill this out, to sign this extension, then the bank was stymie because they were waiting for this as well and it wasn't coming along with the clear version of the contract that they can read and several other things.

Q If you were ready to go on the 14th, do you know why an extension was requested?

A It was requested because Mr. Willis suggested it to Ms. Nicholson.

Q But you all didn't need it because you were all ready to go on the 14th?

A Obviously not.

Q Do you know what the extended deadline was requested to be?

A It was the 28th, I believe.

Q Do you know where that date came from?

A It was decided on by someone else, Ms. Williams, Ms. Nicholson -- I can't tell you that, I can't answer that.

Q Do you know who was supposed to hire the contractor to come look and say whether the termite damage had been repaired or didn't need to be

repaired?
A Do I know who?
Q Was that supposed to be your contractor or was that something that the seller was supposed to do?
A That was something that the sellers were supposed to do, to my knowledge.
Q Did the Ferro's ever sign an extension agreement or tell you that they were going to sign one?
A No, they did not.
Q Did you ever get any communication from Mr. Ferro or Mrs. Ferro that if the sale did not close by December 15th it wasn't going to happen?
A Not until everything went south. I didn't have any idea, we were shocked.
Q I'm going to ask you and again I'm going to apologize in advanced for the quality of this, under item K in the notebook -- have you seen this document before today, and I know it is not a great copy?
A I think there was something similar to this in the discovery document.
Q Before the lawsuit got filed -- there is a note down here that is handwritten, it says today 12/6/12, do you remember seeing this sometime around December 6th, 2012?
A I never saw this until it was in the discovery

package.
Q Do you know if, forgive me if I have asked you this question before, was a closing ever scheduled, did anyone ever tell you that we are closing on X day at 2:30 in the afternoon?
A I don't really think that is possible without the clear contract and without the CL100, so I can't answer that for certain, but no one told me that.
Q On your timeline and looking at it, I didn't see any date or time that was entered into it for a closing?
A No, there was not.
Q If a closing had been scheduled would it have been your normal practice to have put it on your timeline even if didn't happen?
A Yes, I would have put it on there.
Q Even if it didn't happen, you would have put it on there, if it hadn't been scheduled?
A I would have had some sort of notation of what was going on, probably.
Q Under item L in my notebook --
A I'm looking at it.
Q That is a copy of your loan approval letter from First Federal, is that right?
A That is correct.

Q It is dated December 12, 2012?
A That is correct.
Q Under it it list a number of conditions, it says please provide all of the conditions below within three business days of the receipt of this approval letter, do you see that?
A Yes, sir.
Q Did you provide all that information to First Federal within three days?
A I provided probably this before because I didn't need to have the insurance, the house was insured and so Ms. Williams explained to me that that was just normal verbiage on the form, standard verbiage. We did not need blood certification and I provided her with the disclosures and the verbal verification of employment -- excuse me not the verbal verification of employment, the IRS, the T46 or something like that form and I did that the same day that she asked for it.
Q How about all of the First Federal disclosure signed and dated, did you do that?
A Where are you looking?
Q Number 5.
A Yes, I said the disclosures.
Q I'm sorry, forgive me. How about the legible

A The fifth page counting double sided?
Q Yes, ma'am, it is a document that looks like this?
A Yes, sir.
Q What is that document, do you know?
A Is was something that Mr. Willis and Mr. Ferro asked for because they didn't believe that I had a loan application.
Q I will just read, the first line of it says Doreen Cross and Stephen Dudek is requesting this information. Do you think this is a request for information that came from the Ferro's and not you and Mr. Dudek?
A Yes, sir.
Q Did you create this form?
A This is the questions that they had and it is formatted by me.
Q How did you get these questions, how did they come to you?
A I sent it to First Federal. They had these questions for discovery, this is when we were in the lawsuit and Mr. Collins asked me for this information.
Q Don't tell us anything about what you and Mr. Collins talked about. I was just curious if you prepared this list and sent it to First Federal and it

A That is correct.
Q How much of the 303 were you going to finance?
A I was going to finance 80 percent, but I was going to put 20 percent down.
Q So you were going to come to closing with $60,000?
A A little more.
Q So you really didn't need all of the $295,000, did you?
A No, sir.
Q Is there any doubt that if a closing had been scheduled in this case you had the financial well withheld to accomplish closing?
A Absolutely no doubt in my mind whatsoever.
Q Paragraph 8 also has language in it that requires you to "diligently pursue financing," isn't that correct?
A That is correct.
Q Is it your testimony today that you diligently pursue your financing?
A I was in constant contact with my lender. I asked for my lenders advice, she is very experienced, she has been doing this for 30 years and I worked with her before and I cherish her opinion on things, she does an excellent job, she worked late to get this

be?
A It has to do with moisture underneath the house, it has to run in a certain limit, it has to do with infestation of wood boarding insects or termites and whether or not the house is free of termites and if it is not free of termites, it is a guarantee to the lender who is lending you this money that the house doesn't have any damage to it, basically.
Q It is basically what we refer to as a termite letter, right?
A I think so.
Q Did you receive a termite letter from the Ferro's?
A Eventually, from the Ferro's, no.
Q Where did you get it?
A From Ms. Nicholson.
Q So it went through the realtor chain, so to speak?
A Uh-huh.
Q Now, under the contract the termite letter has to be provided to you by what date?
A By the 30th of November.
Q Was it provided by the 30th of November?
A No, it was not.
Q Can you turn to tab G, please?

A Palmetto Exterminators, Inc.
Q What is the date on the letter?
A 11/30/2012.
Q So if you had got it the same date that it was prepared you would have got it on the date that it was required by the contract?
A Correct.
Q Is there anything contained in this CL100 that concerned you?
A Well I was puzzled by it. I saw where they were cleaning out the gutters and Mr. Ferro basically said that he wasn't going to do that, it didn't say that the termites had been exterminated, it said that the termites were still living and I couldn't understand that. I thought you would treat them, you don't want termites in your house.
Q This termite letter clearly says that there is visible evidence of subterranean termites, right?
A Right.
Q It also says that there is damage caused by termites, is that correct?
A That's correct.
Q I want you to look on the fourth page of that report. There is a paragraph about two-thirds of the way down --

A That is correct.
Q Did you eventually get an appraisal?
A Yes, I did.
Q When did you get the appraisal?
A I believe the bank order it on December 6th and it was within nine days and I believe it was December 14th, I believe, when they received it.
Q What was the holdup on the appraisal, what took the bank so long to order the appraisal?
A The appraisal was ordered immediately.
Q It was ordered on the 6th of December?
A It was ordered the minute I said --
Q It was ordered the minute that the re-subdivision of the property was accomplished, isn't that correct?
A That is correct.
Q The appraisal wouldn't go out there until the subdivision had been made by the county, isn't that correct?
A That is correct.
Q Again, delayed by no fault of yours?
A That is correct.
Q The last thing that I want you to look at on this contract is addendum A?
A Did you say B?
Q Addendum A.

A Addendum A also includes some contingencies that you built into the contract, isn't that right?
A That is correct.
Q The first one is total satisfaction of home inspection and CL100?
A That is correct.
Q Were you ever satisfied with the CL100?
A No, I was not.
Q Were you ever satisfied with the inspection?
A The inspection for the home?
Q Uh-huh.
A Whether the termite extermination company had done what they were supposed to do?
Q No, you ordered an inspection, home inspector to go out and inspect the home the day after he signed the contract?
A I did.
Q He came out there and inspected it?
A That is right.
Q He issued you a report?
A That is correct.
Q Was there anything in that report that gave you concern?
A There were many things in that report that gave me concern.

by the bank until the 14th of December?
A Correct.
Q Again that is because of a delay and the subdivision of the land?
A Correct.
Q An obligation of the seller?
A Correct.
Q Mr. Massalon asked you a question and really this is what really boils down to, Doreen, on the 14th of December you were ready to close with all of your documents, correct?
A I personally, Mr. Dudek, we were ready to go. Nobody was waiting on anything from us, we had provided it long ago.
Q Then on 16th, which is Sunday, the following Sunday, you received correspondence by way of e-mail by Mr. Willis saying that your contract had been terminated and that the sellers had entered into another contract with another buyer, is that correct?
A That is correct.
Q While at the same time they were in default in terms of their contract, isn't that correct?
A I'm trying to think.
Q Pardon me?
A I'm trying to think if I knew about -- no, there

A Correct.
Q Earlier you said that you don't know anything that you could have done to make the closing go faster or something to that effect, do you remember that testimony?
A Right because I was waiting for the structural engineer report, I was waiting for the survey report -- when we put the loan together, you said the 5th of December, we were finished with it in nine days. The survey took four and a half weeks, the structural engineer took two weeks, two critical weeks because that is when we were trying to get the other items taken care of that were contingencies and make sure that we had a certified electrician and a certified plumber. So no, I really believe that I did everything I could.
Q Let me ask you this, you told Mr. Collins a couple of times that you had to wait on the survey to get the appraisal when that is not right because even after you got the survey you waited depending on what day you count from it is somewhere between 10 days and almost 2 weeks before you actually went to the bank and said go ahead?
A The soonest that it could happen was the 26th.
Q Okay?

A If you remember, I said that my number one issue was what was being looked at from the inspector was the structure and I had nothing, other than -- I had nothing to tell me that the structure was stable and I am not going to jump into that.
Q But that didn't hold up the appraisal, did it?
A The survey?
Q No, ma'am. You were telling me, I believe about the structural inspection and that didn't hold up the appraisal?
A Only because I wasn't comfortable that the house was stable and if it wasn't there was no moving forward. Because he had reported and had numbers there that did not support the house being structurally sound, I was prepared to walk.
Q You were going to get out of the contract?
A If the house would not have been structurally stable and that did not make me feel better, I would have walked away.
Q So what you are telling us is that even though you could have ordered the appraisal when the plat was recorded, you didn't pay the appraisal fee because you wanted to make sure the house was structurally sound?
A I really didn't think about the two being related. I was concern with that structural engineer

report being high and I was waiting for some sort of sign that a certified contractor was being used to make the repairs. That wasn't happening. I had no evidence of that from day one, at that point, none.

Q Would you and I agree that the structural report did not prevent the appraiser to do his or her work. You could have paid the appraisal fee and gotten it appraised regardless of how the structural inspection turned out?

A Here is the way that I understood it from my bank, when you are ready to go we will get the appraisal going. The day you come to us we will get the appraisal scheduled.

Q My question is a little different than that and it is not what your banker advised you to do, but it is true that the appraiser did not need the structural inspection to do his or her work?

A That is evident.

Q That is true. So what you told Mr. Collins was you couldn't get the appraisal because you didn't have the plat, right?

A That is correct.

Q But at least by the 24th you had the plat?

A No, I did not have the plat on the 24th, I had a plat that did not have a stamp on it. Until I had the

stamp I really had nothing and I never saw the plat with the stamp, never.

Q Ever?

A When Mr. Dudek went to St. George to get a copy of it.

Q On the 25th?

A No, it was January, it was after we were into this.

Q A couple of questions about the CL100, can you flip to a copy of the contract, please?

A Can you tell me where it is at, please -- nevermind I got it.

Q I'm looking at paragraph 19, condition of property and I want you to look at subparagraph D.

A B?

Q D like in dog.

A Okay.

Q It says if the property to be sold has been previously occupied, and then there is an X by the seller, shall at their expense have the property inspected and shall obtain a current wooden infestation report license signed by a pest control operator, did I read that correct?

A Correct.

Q That actually happened by November 30th, meaning

A You want me to look into the future, okay.
Q No, I'm saying that if in this case that the contract that you have is still valid, can you still get out of it if you don't like the CL100 or the inspection?
A No, I know I will like the CL100 and I would assume that the Judge would order that.
Q When you were negotiating back and forth with the Ferro's about repairs, you weren't doing anything else to prepare for closing, right?
A I was constantly working on something, if I had anything that I had to do, yes, I was working on it.
Q When did you pay your appraisal fee, do you remember that?
A I gave her the credit card number the same day that we started it. I guess it was the 5th.
Q Of December?
A Uh-huh.
Q If you had applied for the loan earlier than you did, meaning you told Ms. Williams go ahead, order the appraisal, do what you need to do, do you think this would have closed on time if you had given Ms. Williams the go ahead earlier than December the 5th?
A I think it would have closed on time anyway. I

think it would have closed on time if we had the missing documents and had we had that clear CL100, it absolutely would have closed.

Q And what about my question --

A And it would have closed if we hadn't had to go through a structural engineer because there was no disclosure on the sellers disclosure about anything that once it was a wood structure that we began with and then it was switched over to a steel frame, that would have saved us a massive amount of time.

Q Were you there when the initial inspection was done?

A Are you talking about the 30th of October?

Q Yes.

A Yes, I was.

Q Did Mr. Dudek crawl under the house then?

A We both crawled under the house.

Q Did you see that it was metal framing then?

A Yes, I did.

Q That was October the 30th?

A I saw that it was metal framing on the second visit when I noticed a little moisture in the crawl space.

Q You didn't have to wait for the structural engineer to tell you that, you knew it a month before

they issued this report, right?
A That the house was metal?
Q Yes.
A That the subfloor was metal or that the uprights in the house were metal, I mean there are different members.
Q Tell us whatever you knew on October 30th, what did you know, about the metal framing of the house on October 30th?
A On October 30th I didn't know that there was metal studs in the wall. Ms. Ferro had told us on the first visit that the walls were framed in wood. Mr. Ferro came in later and we had no reason to ask but we found out when the structural engineer came on the 14th that in fact the entire house was framed in steel at the bottom and the only portion that was wood was up in the room over the garage.
Q So you didn't need to wait for his report to find out, he told you in the middle of November?
A I don't see what you are getting at.
Q It is just a simple question, whether you knew the house was metal framed before you got the engineers written report before the end of November?
A Yes, I did. I knew that the outside of it was an ICF and I knew that it had a metal roof.

MR. MASSALON: Thank you, that is all I have.

THE COURT: What is an ICF?

A It is a concrete bone-build core that insulates the house, it is about yee thick. They use it on Kiowa Island because it is on the ocean, it will take hurricane wind and so forth and they are very economical because you don't have to spend as much to cool the inside of the house.

THE COURT: I see, the exterior too on the property?

A The outside of the house --

THE COURT: What is the house made out of?

A Brick.

THE COURT: Okay.

MR. MASSALON: That is it for me.

RECROSS EXAMINATION BY MR. COLLINS:

Q One last -- two actually. The appraisal did not hold up the closing did it, the appraisal was received by the bank on the 14th of December?

A The appraisal did not hold up anything.

Q The other thing is that Mr. Massalon asked you on redirect about the CL100 and it has to be provided on November 30th, do you remember that question?

A Yes, I do.

A Yes, sir.
Q The first report that you recall receiving was at the end of November?
A Yes, sir.
Q Once you got the report from the structural engineer at the end of November, were you sufficiently reassured that the house was structurally sound?
A Ms. Cross did all of that.
Q You didn't communicate with her nephew or any of that stuff?
A Not directly, no, sir.
Q How about the termite report, did you participate in the termite inspection?
A No, sir. I did not.
Q Did Ms. Cross?
A No, sir.
Q Did you know it was happening before it happened?
A Not that I recall.
Q You got a copy of the termite report?
A Yes, sir, we did.
Q Do you know when you got it?
A No, sir.
Q It was dated November 30?
A That is what she is saying -- I don't know when we received it, I remember looking at it, but don't

remember when I received it.
Q You remember looking at it?
A Yes, sir.
Q The report that you saw, was it satisfactory to you, the termite report?
A No, sir.
Q Why is that?
A May I look at it -- give me one second, please.
Q If you would like me to refer you to it, I can tell you where it is in the notebook?
A Yes, please.
Q It is under tab G?
A Thank you, sir. Okay, sir, it begins under, I think, paragraph 4 on the official wood infestation report, paragraph 5, the property has not been treated by us for wood destroying organisms, to me that leads me to believe that the active termites are still active.
Q So you are concerned about active termites?
A Yes, sir.
Q Did furnishing you with this report satisfy the Ferro's obligation with a CL100 report?
A In my opinion?
Q Under the contract, did it satisfy the contract requirement?

A No, sir because if you read amendment A, paragraph 1, buyers full satisfaction and home inspection and CL100, we weren't satisfied with the CL100, so in my opinion, no.
Q Does that have a date associated with it, a date that you have to be satisfied with the CL100 home inspection report?
A No, it does not, sir.
Q Would you agree with me that under paragraph 19D of the contract, and if you want to flip over to it, it is on page 3 of the contract, 19D it is at the bottom?
A Yes, sir. Okay go ahead, yes, sir.
Q The Ferro's were obligated to obtain the CL100 by the 30th, which it looks like they did, right?
A They did.
Q If they got the CL100 report by the deadline in the contract and there was no deadline for you to be satisfied with it or not, then it looks like the Ferro's complied to their contractual obligations?
A Not in opinion.
Q If you weren't satisfied with the CL100 wasn't your option under the contract to either walk away and say we are not going to buy this house?
A It was.

Q When was it that you decided to sell the property or about when?
A Well, we were interested in moving, actually I was interested in retiring and moving to Kentucky so it looked like we sold the house and I went and put a deposit down on a piece of property and I commenced, took out of my savings and started building that structure.
Q Tell me when or about when that was when you decided to get into that, when did you decide to sell?
A It was about two -- when we were about to sell?
Q To sell your house on Butternut?
A For about a year and a half we tried to sell the house.
Q It was on the market for about a year and a half?
A Maybe a little longer, maybe 18 months, I'm not sure.
Q Your agent was who?
A Rick Willis.
Q This is probably a little bit of a loaded question, but what did your real estate agent do for you, what was his role in all of this?
A He liked the house, it was unique, we put a whole brochure on the structure, what it was, what a great value it was, pretty much he was doing pretty good, he

thinking that you were signing a contract with somebody else?

A Absolutely not.

Q When you got the initial officer I heard some testimony that you changed a couple of things in your response, one was price and the other was the closing date?

A Correct.

Q I want to focus on the closing date. Why did you want to negotiate over the closing date?

A I was really ready to move. I was already starting to build in Kentucky and I wanted to close as soon as possible.

Q The house I guess had been on the market for awhile?

A Yes, it had.

Q When you purposed the closing date of November the 30th, did you all have any further negotiations over that or was that accepted?

A No, I gave her a discount and told her we wanted to close early, basically.

Q The contract, was it for your entire property or just part of it?

A Just part of it.

Q Did you make it known ahead of time that you were

willing to sell less than the entire 8 acres or did you only get an offer for only 6 of the 8?
A I was thinking if I couldn't sell it to split it up. I was hoping splitting the property would eventually sell it.
Q You told your realtor that?
A Correct.
Q The offer that you got was for 6 acres and the house?
A Correct.
Q There has been some testimony that you agreed to get the property subdivided, do you remember that?
A Yes.
Q After the contract was signed what did you do to get that property subdivided?
A I went immediately to, well I found a person --
Q Surveyor?
A --a surveyor immediately within the hour. I went to his office, met with him, I think he told me I couldn't meet him until the next morning, I came back early the next morning, met with him and got it done very quickly.
Q In terms of the calendar, if I tell you that the contract was signed by you and Ms. Ferro on October 24th, how quickly do you think you hired somebody to

survey the property?
A Well, I don't remember the day that she came, besides that she decided she wanted the property and change it to 6 acres, the day that I needed it done, that day is when I started. I don't remember the day that she came, but immediately, I think within -- I think we did it in record time.
Q After you hired the surveyor to come out and do the subdivision, did you have to met the surveyors out on the site?
A Yes.
Q Do you know when or when about that was?
A I'm not sure of the date, but it was well before the contract was closing, I knew I had time and had to do it fast and that is what we did. I met with them out there, one or two days, pretty much laid the lines with him, helped him. Then within a week we got it back.
Q Do you remember creating any delay yourself in the plat, by that I mean was there a time when the surveyor was trying to get in touch with you to set up a meeting and you were out of town or travelling or unavailable?
A No, sir.
Q Would it be fair for us to understand that as

soon as the surveyor called you to meet him out on the site you were there?
A Yes.
Q Then the surveyor took whatever time he or she needed to take to do the plat?
A The surveyor did know I had a deadline and he was going to try his best to meet it and he did.
Q Did you get the plat directly from the surveying company?
A I did.
Q Once you got it, what did you do?
A Started to send it to everybody, all of the parties who needed it.
Q That would be who?
A I think I sent it to Rick Willis, my apologies, I think that is how it went. Rick then sent out the correspondences, I didn't. I think immediately he sent that survey.
Q There is some testimony from Ms. Cross that she initially got an unrecorded plat and after that got a recorded plat, do you know who actually filed the plat or recorded the plat?
A Yeah, the surveyor.
Q Do you remember getting one that was not recorded?

A I did not.
Q Now, I'm jumping around a little bit, let me take you back in time away from the survey to the home inspection?
A Okay.
Q We heard testimony that there was a home inspection on October 30th and then there was an inspection by an engineer on November, I believe, the 17th. Did you attend either of the inspections?
A I did.
Q Both of them?
A Yes, I did.
Q Start if you would with the November 30th e-mail, what do you remember about that?
A She had a complaint about the tiles being cracked.
Q If you would, just to help with the record instead of saying she just say Ms. Cross, that would help me.
A Ms. Cross was concerned about the tile that was cracked. I told her that it was not structural, one of my son's dropped a glass, something happened where there was an accident, I don't even remember but it was years ago, but that tile was cracked for a couple of years. It had nothing to do with the structure or

anything else, but she was very concerned about that.

She wanted me to get a structural engineer and I said you get a structural engineer and bring him over here and I will pay -- I really don't want to pay $600 because it was costing me so much money for all of this, for everything, it was getting ridiculous. I was doing everything that had to be done so I said okay, you get the structural engineer that you are happy with, I guess the structural engineer called me, he asked me about the house, I explained everything and he said he wouldn't have to crawl under the house if it is a structure like I said it was. If it is a poly steel structure, he would be able to tell from the outside just from walking around.

So he did come, he started to walk around, Ms. Cross was there. He did not want to go under the house, he said I assure you that in my experience this house is fine and sound and he was going to write off on it that it was sound. She insisted that he go under the house, which he did, didn't want to, but he did as he went under and inspected and she questioned him, every time he would answer she would badger him. He would say the structure is fine, this is the issues, he was explaining dirt and size and weight and every time she badgered him, it was unbelievable.

Q Were you under the house with him?
A Yes, I was.
Q Who else besides you, Ms. Cross and the engineer were under there?
A Me, Ms. Cross, her husband and the engineer.
Q Do you remember anything else about the inspection other than that -- the engineering inspection?
A The only thing is he came back and said was that this house is structurally sound.
Q That was on the day of the inspection?
A Yes, that was made very clear.
Q Was that said in Ms. Cross and Mr. Dudek's presence?
A Correct.
Q The home inspection, the one that was done on October 30, were you there for that as well?
A Yes, I was.
Q Who picked the home inspector?
A Ms. Cross did.
Q Again, did you crawl under the house that time and look around?
A I did.
Q In the notebook would you flip to exhibit E for me, tab E for me. Do you recall receiving this

contract for closing, were you concerned when the sale did not close on the 30th?

A Yes.

Q What, if anything, did you do about that?

A I got really nervous. What I did was I was just hoping that we would close, there was nothing else that I could do. We went over the contract again with Rick Willis and everything was perfect, we were hopeful it was going to close.

Q Do you know why it didn't close by November 30?

A I really don't.

Q Look for me under tab J?

A Okay.

Q Did you get a document that looked like this asking for an extension on the closing date?

A Yes, I did.

Q Did you ever agree to it or sign it?

A No.

Q Why not?

A At this point we figured we weren't going to close, nothing got done, we weren't getting -- we didn't even hear from Ms. Cross for a few days, which were like critical days. I knew -- I was trying to contact her, I was really nervous. We knew at that point we weren't going to close.

Q Deadline already passed, right?
A Yes, sir.
Q Go to the next page and I have what is a bad copy of a fax from the Wooddy Law Firm, do you know what that is?
A Yes.
Q I can't read most of it, what is it if you can remember, tell us?
A I sent this to the Wooddy Law Firm. I put down that we need to close in seven days or less.
Q Is that your signature there?
A Yes, it is.
Q It is dated 12/6/2012, December 6, 2012.
A Right.
Q Why did you send this to the Wooddy Law Firm?
A Well, I figured that I still had a little time if I could still make this thing happen because I really needed to close. I had gotten other -- fault of my own, my stupidity, I had other obligations that I needed this money for my other home. I really needed to close.
Q Did you receive anything in response to this letter to the Wooddy Law Firm?
A No.
Q Didn't hear from anybody about it?

A No.
Q What was your understanding as Wooddy Law Firm's role in this?
A Closing attorney.
Q Do you remember when or about when it was that Ms. Morphew looked at your place?
A After the contract had expired.
Q She signed a back up contract with you?
A That is correct.
Q Take a look for me if you would at the next document in your notebook, L?
A Yes.
Q Did you receive a copy of this letter from First Federal dated December 12, 2012?
A No.
Q Flip over to the next page for me, is that your signature and your wife's signature on the release of contract?
A Yes, it is.
Q Why did you ask Ms. Cross and Mr. Dudek for the release of the agreement?
A Because the closing date came and went and there was no closing in sight.
Q Next, take a look at exhibit N for me, what is that document?

A The real estate agreement to buy.
Q Who is that agreement with?
A That is us and Ms. Cross.
Q Is that the agreement that you signed with Ms. Morphew after the first contract had expired?
A Yes, it is.
Q Does that look like a complete copy of it?
A Yes, it does.
Q That is your signature over on page 6?
A Yes, it is.
Q Did you get any response to the termination request that you made to Ms. Cross and Mr. Dudek, did you ever hear back from them?
A No, I did not.
Q Take a look at tab O, letter O. Before this case got started did you get a copy of this letter from Mr. Qualey to Ms. Nicholson?
A No, I did not.
Q So you haven't seen a copy of that before today?
A No, never.
Q Assuming that this letter was sent on Christmas Eve, 2012, did you ever get any response back from Ms. Cross or Mr. Dudek in response to this request?
A I did not.
MR. MASSALON: Give me just a moment, your

copy. Let's take a quick look at paragraph 12, please read it and then you make sure I'm reading it correctly. If the transaction had not closed within the stipulated timeline because a contingency has not been satisfied through no fault of neither party, then both parties agree to extend this agreement for a period not to exceed 15 consecutive days from the original closing date. Do you see that, did I read that correctly?

A Yes.

Q In this paragraph it also says time is of the essence, does it not?

A Yes, it does.

Q If the transaction didn't close by November 30, because Ms. Cross and Mr. Dudek didn't even file for their financing by November 30th, would you agree with me that that is not a no fault situation?

A Yes, I would.

Q That is a failure to close because they didn't file for their financing as they were required to do, right?

A That is correct.

Q So paragraph 12 wouldn't apply in that instance, would it?

A No, it wouldn't.

Allison Williams: Direct Examination by Mr. Massalon

objection.

MR. MASSALON: I'm ready to go, Judge.

THE COURT: You may begin your cross examination.

(Allison Williams, being duly sworn, testified as follows:)

DIRECT EXAMINATION BY MR. MASSALON:

Q Thank you. Ms. Williams, we talked briefly outside and you told us you were a little nervous about this, right?

A Very, yes.

THE COURT: Ms. Williams, I can assure you that there is nothing to be nervous about.

Q Take your time. Tell us please what you do for a living?

A I am a mortgage loan officer at First Federal Bank.

Q How long have you done that?

A I have been at First Federal Bank for about 21, but I have been in mortgage for about 30 years.

Q Before at First Federal, who did you work for?

A Center Bank Mortgage, they closed down here.

Q Do you work out of a particular branch or do you float?

A I do work now in a branch, but I now can move to

other branches with customers. Right now I am assigned to a branch on Rift Road. I used to work out of corporate probably three years ago.

Q I understand that you all have a change coming up in next few days?

A We do.

Q Is your office going to change after that or stay the same?

A No, sir, everything will be the same, just the name will change.

Q Now, you met Ms. Cross outside, do you remember working with her on a loan for a property on Butternut Road?

A I do.

Q Had you worked with her before that?

A I believe so, I think I had done a loan before.

Q We have marked, and you brought with you a timeline as exhibit 22, you are welcome to refer to that if you need to refresh your recollection?

A I need to, that is why I brought it.

Q The other thing I am going to ask you to do is that white notebook in front of you under tab P is the copy of the loan file that we got earlier this week and I will be referring you to somethings in there as well?

A All right.
Q Can you remember or does this timeline tell us when it is that you first start working with Ms. Cross?
A The timeline will tell you on July 5th. If you see the loan number 11334 is my entry.
Q That number is your unique identifier?
A Yes and she applied for pre-approval on that date or actually she probably applied before that because the entry actually says that I contacted her to see how her house hunt was going, so she applied prior to that, but I don't have that date.
Q That is a good point. Let me refer to you in the notebook and I wish we had time to number these pages, but if I can approach I will flip you to the document, I would like for you to look at. Take a look at that loan application there that I have directed you to?
A Uh-huh.
Q What is the date on that one?
A May 7th.
Q Of what year?
A 2012.
Q You mentioned that she had applied or probably applied for pre-approval I think you said?
A Correct.

Q Is that a copy of the pre-approval application?
A It appears to be.
Q There is a number mentioned there at the end there, what is that number?
A I'm not sure what number you are referring to.
Q There is an amount --
A The loan number.
Q You are right there are a lot of numbers in there, but what I'm really referring to is the amount of the loan?
A That is originally what she applied for, pre-approval.
Q That was for what?
A 250,000 it looks like.
Q Down below on the bottom of the page there is a handwritten, a note that is pre-qual app?
A I didn't write that.
Q You didn't write that?
A That is not my handwriting.
Q Is this application in connection with the purchase of any particular property?
A No, just whatever particular property that she decided to buy.
Q Is there a difference between an application and a pre-qualification application?

Q Is that a copy of the pre-approval application?
A It appears to be.
Q There is a number mentioned there at the end there, what is that number?
A I'm not sure what number you are referring to.
Q There is an amount --
A The loan number.
Q You are right there are a lot of numbers in there, but what I'm really referring to is the amount of the loan?
A That is originally what she applied for, pre-approval.
Q That was for what?
A 250,000 it looks like.
Q Down below on the bottom of the page there is a handwritten, a note that is pre-qual app?
A I didn't write that.
Q You didn't write that?
A That is not my handwriting.
Q Is this application in connection with the purchase of any particular property?
A No, just whatever particular property that she decided to buy.
Q Is there a difference between an application and a pre-qualification application?

A This is a pre-approval application, and there is a difference between pre-qualification and pre-approval.
Q I don't want to get my terms confused, you said this is a?
A This is a pre-approval application. The credit would have been pulled for this application?
Q So the difference between a pre-approval application and an application is what?
A Actually having a property.
Q Property specific?
A Basically we pre-approve people, we leave the address open and the numbers can vary depending on what they decide to buy and then we convert it to a full blown application after they find a house and usually after the home inspection has been completed.
Q Would it be accurate for me to understand that a pre-approval application is really just a statement of credit worthiness by the person?
A Yes.
Q It is not really a loan approval, is it?
A It is a pre-approval, if they were not approved we would not move forward with an approval on a real loan.
Q There are certainly instances --

A It is not written by an underwriter though, it is underwritten by an automative underwriting system. So they are actually pre-approved for a dollar amount.
Q There are instances where people get pre-approved for a certain amount of money and then when they try to get an approval for a loan specific to a property they don't get approval?
A It could happen.
Q I'm going to work you a little bit on the notebook and get you to flip to another tab, which is tab B for a second?
A B?
Q B like in boy. That is a letter that is docked October 22, 2012 that has been produced to us in the of case?
A Uh-huh.
Q What is that?
A They requested a letter, I guess they were going to make an offer on the property and they asked me to produce this letter for them so I did.
THE COURT: Who is they?
A The borrowers.
THE COURT: Ms. Cross?
A Uh-huh.
Q The letter that we are looking at now I did not

see a copy of that in the file that we got from the bank as I was looking through it and I believe I am right about that. Is there any reason that a copy of that October 22 letter wouldn't have been in the bank's file.

A I don't know why it wouldn't be in there, it doesn't have to be in there, it is not required to be in our file.

Q It is just something that you generated at the request of Ms. Cross?

A Yeah. It is to help borrowers let the seller know that they are about to get financing.

Q Again, it is not a loan approval, it is just an indication of credit worthiness?

A Right.

Q Now the number is 295 here and I remember looking at the pre-approval application and the number was 250, do you know where the 295 number came from?

A 250 was the loan amount, 295 was a purchase price.

Q So you are figuring some payment by the borrowers there?

A Based on the information that I have on the borrowers, and what they tell me what they are making an offer for my pre-approval matches the offer to not

give away there negotiating position. That doesn't mean they can't get approved for more that just means what they are offering on the house.

Q So it helps them with their negotiating posture with the people that are selling?

A Right, it is a very common industry practice.

Q This letter, this October 22 letter says in here that it is contingent on several things, one of them is acceptable appraisal loan documentation, underwriting all that sort of stuff?

A Yeah, that is standard language. Even if we have the perfect credit report and the incoming asset docs, that letter I cannot change.

Q All you can do is change the name of the person it is going to and the amount?

A Uh-huh.

Q If we can look at your timeline then, go back just a second?

A Okay.

Q It picks up July the 5th of 2012 with you checking in with Ms. Cross to see how her house hunt is going?

A Right.

Q And the next entry on July the 10th is what?

A She is thinking about building and she will get

back with me.
Q Then another entry on July 25th says?
A She is still looking around.
Q Now, the October 12 entry, Ms. Cross told you what was the status of that?
A She had found two houses that she was interested in. We only approve our pre-approval applicants open for a certain amount of time and they were monitored by the corporate office. So the reason of me going out and putting these comments in is so they won't cancel my pre-approval. If they do I have to start all over again.
Q There is actually a note here on the 10/12 entry that says don't cancel this one yet?
A Right.
Q The next entry is on Halloween 2012, it says what?
A She's found a house, but there are inspection issues she is trying to work out and she will keep me posted.
Q Did you know anymore about this property at this time?
A I guess I knew at this time that they were having it subdivided, the property. I remember her telling me that they presented it for sale in two different

ways. You could either buy the whole thing with two dwellings, one that was under construction or subdivide and I told her that you cannot get a loan on a property on one TMS number with two dwellings.

Q This entry on Halloween says there are inspection issues they are trying to work out and she will keep you posted?

A Correct.

Q Based on your entry here it doesn't look like there are any other activities with you for the entire month of November?

A Well, I don't know that to be the case. I didn't make any more entries after October 31, once I turned the file in -- I didn't make any more entries, it doesn't mean that we didn't have any more conversations. Once I turn the file in I'm not allowed to get in there and make anymore entries. But it looks like they tried to kill the file on November 30.

Q What does that mean?

A The lady that goes in and looks at the files was not aware that I had buyers that were interested in the property and the file was going to continue.

Q You told us earlier that these expire after some period of time?

A The credit report expires, it is either 90 or 120 days.
Q By this time, by the end of November 2012, it had long since, the credit report had long since expired by then?
A Yeah, I don't know if I would have re-pulled it or not because I don't remember and there is no entries in here about it.
Q Would it be your practice if something happened for you to make an entry?
A It depends how busy I am. Probably not as good as making entries as the people who get the file after me. I think we were pretty busy at that point in time so I was juggling a lot of applications.
Q Speaking of juggling, I'm going to ask you to juggle the documents again. I'm going to ask you to go to tab R for me and I have a page of e-mails back and forth between you and Ms. Cross, I wanted to ask you a couple of questions about that?
A Okay.
Q These are some e-mails back and forth that appears between you and Ms. Cross, I know they are small, but does that look right?
A Yeah. It has been a long time ago.
Q That is why I wanted to refer you to them.

Starting at the bottom, like most e-mails you start at the bottom and go up. The first one, the earliest one is October 24th, 2012 at 10:59 a.m. and it is from Ms. Cross to you and it says high C in line responses and I believe what she is referring to is in the e-mail below that it looks like there is an e-mail from you with some responses that she typed in, do you see that?

A Where it says hey I need a lot from you.

Q Right. So on the 24th at 10 o'clock you asked Ms. Cross for a signed contract and looking back at your memo is there any indication that you got a copy of a signed contract at the time?

A I must not have had it or I wouldn't have asked about it.

Q Then it looks like the response says Susan Nicholson, Carolina One will get to you ASAP, do you see that?

A I do.

Q Next you question Ms. Cross, are you doing a home inspection and her response is what?

A Yes, Susan is getting estimates right now, this will also pass this asap.

Q Next it look like you wrote I really don't like to start anything until it is done because it can kill

the deal if it goes south?
A Yes, and it does often.
Q At this time your advice to Ms. Cross is don't do anything on your loan application until you work out your inspection issues?
A Yes and normally that gets done within a weeks period.
Q When you and Ms. Cross talked about this you didn't have a copy of the contract itself, right?
A I guess not.
Q Were you aware of what her deadline under the contract was to apply for financing and furnished proof of financing?
A Probably not if I didn't have it.
Q Were you aware of what the closing date was said in the contract?
A I don't know what it was or not. If I didn't have the contract -- I may have asked a question, but I don't remember.
Q Chances are good that you weren't looking at the contract and giving her that same advice?
A Regardless of the contract date I pretty much give everybody the same advice that they need to get a home inspection. I give them an option and I basically tell them, you know, you get the home

inspection, if we go to the appraisal prior to home inspection there is a good chance that if it doesn't work you are going to lose $425 and without fail most people want to wait on ordering the appraisal until they get their home inspection worked out.

Q After that it looks like you said this, let me know about the inspection. End of November closing may be okay if all other things go smooth. So it looks like in some way she had told you about the deadline to close at the end of November?

A It appears so.

Q Then there are some other things here that I'm going to skip, you mentioned the subdivision and it says here I'm not sure how the appraiser can do the appraisal if the TMS aren't separated. I think that can be a big problem in delay of the transaction, that is what you told us?

A Correct.

Q I have a feeling he won't be able to do it until the property is divided?

A Correct.

Q Then you said tell me about the inspection and we will go from there and Ms. Cross says will do, right?

A Yes, sir.

Q On this property do you know when the property

was actually subdivided?
A I don't recall, I was leaving it up to them to let me know when that was going to happen.
Q Now, the next e-mail up from Ms. Cross to you, October 24th, I guess that one was actually a little earlier. That is at 9:18 -- I'm sorry I told you wrong they are in the right order they go from first to last. Let me start at the top so I won't be too tricky and go down. The first one is October 22nd at 2:50 and it is an e-mail to you from Ms. Cross and you are sending her some information it looks like, right?
A Here is the letter, that would be the pre-approval letter.
Q It says this is not a good faith estimate, what's that?
A Where does it say that, at the top?
Q Yes.
A The government changed the regulation as they have over and over and over again in the last few years. We weren't allowed to issue a good faith estimate on a transaction initially because someone wanted to do closing cost estimate, we had to do what they call a closing cost work sheet.
Q I got you and the rest of the sentence says that we are not permitted to give those until you apply for

the loan, did I read that right?
A Yeah, until we convert it basically to a pre-approval to a real application.
Q So at this point, October 22nd when you sent Ms. Cross that letter she didn't have a real application, did she?
A She had a pre-approval application, but not a specific one for a specific property.
Q That is a real application, the specific one?
A They are all real applications, but it is not specific to a property.
Q So it is not an application?
A I still consider them applications, even if they are pre-approval applications. They are in my pipeline, but they are not in the company pipeline. They don't go to the company pipeline until I put a property in there and convert them in there.
Q So it is fair to say that you think that they are applications, but the people you work for and the government do not?
A Maybe so.
Q One thing about the attachment that I'm just curious about, it has an attachment that is titled cost of First Federal breakdown, it looks like an XL spread sheet?

A That is what I referred to a minute ago, we can do a cost breakdown but it not actually a good faith estimate.
Q Look at the date of that, what is the date on that attachment?
A It says 2/10, but I don't know why unless the computer, I had changed the date or maybe it was the last time I had done one, I don't know.
Q But the date on that was actually about four months after you sent this e-mail, 2/10/2013?
A I have no idea.
Q But you think that that is the worksheet?
A The time is different too, it says 1:08 a.m. that is not correct, I wouldn't be doing cost break downs at 1 in the morning.
Q That is what I was going to ask you?
A I wouldn't be at my office until 1 o'clock in the morning.
Q The last thing that I would ask you about, just because it looks a little odd, if you look at the information that is printed on every e-mail at the bottom, this information, this message, do you see that -- do you see where it says the information in this message, the one with any attachments, that kind of standard disclaimer?

A Yeah.
Q This attachment breaks that up, see it?
A Yeah, it doesn't look the way it looks when I send an e-mail, I'm not sure why it looks that way. If it is attached it should be up here by where the subject line is. Normally the attachment should be above up here where the subject line is, normally the attachments go under the subject line.
Q Okay, let me ask you to flip back to that October 22 letter, which is under tab B?
A Okay.
Q Is the closing work sheet, this thing that you were talking about that is behind this letter?
A Yes.
Q That is it?
A Yes.
Q That is what you recall sending to Ms. Cross?
A Yes, that is what a closing cost work sheet is.
Q Then flipping back to tab R, doing some document gymnastic here with you. If you want to take a second to look at that --
A I'm just checking the date, it says 10/22/2012 in there, I don't know why the other one showed up with that little blurb.
Q Back at the e-mail then, the next e-mail in line

is October 22, 2012, 2:53 it says hey here is the letter. So that looks like the one where you actually sent the October 22 letter?

A Yeah, that is what it looks like.

Q That also has an attachment dated February 10, 2013?

A That is really odd.

Q Let me switch you back to your timeline, if I can. Based on the information that you got you had some communications with Ms. Cross at the end of October and then nothing for the month of November?

A I'm sure that we talked, but it is just not recorded. I don't record every single conversation in memo screen.

Q What do you remember talking about?

A The main thing that I remember was the problems that she was having, getting a resolution on the home inspection and trying to figure out when the property separation was going to take place. I would have sought counsel, someone above me to decide what to do about this property decision, it is not something that I really encounter on my job where somebody subdivided the property during the loan process or after the contract date. Usually they do that before they put the property on the market.

Q If you had done that would that be something that someone would note on this timeline?
A No, not necessarily.
Q Do you remember doing that or is that just something that would be part of your normal?
A I think I actually put in my e-mail that I needed to get in touch with someone about my appraisal situation. So I would have contacted probably the underwriting department, but which underwriter I spoke to, I couldn't tell you.
Q You think that it was back in October?
A Yeah, it is referred to in the e-mail.
Q In November you think you just stayed in touch with Ms. Cross but nothing actually happened on the loan?
A No, I think we were in a hold pattern -- from what I can remember it seemed like the inspection issues were very long and drawn out. That is what I recall, but what the exact timeframe of that is, I don't remember.
Q Did you have any discussion with Ms. Cross that you remember in November about the deadline to close coming out, the fact that they had a closing deadline of November 30th and nothing was happening?
A I don't recall. We might have, but I don't

recall.
Q Now, according to your timeline, the next thing that happened is -- well, I don't know, is the next entry yours?
A There are no more entries for me after 10/31.
Q Okay, let me refer you then, if I can, to the loan file itself and if you will look at the document just before the pre-qualification application and I can help you?
A Where are we again, what number, P?
Q Yeah.
A We generate multiple applications during the process.
THE COURT: Mr. Massalon, can you help me too?
MR. MASSALON: It is in tab P and I am looking at the loan application and if you want I can flip you to it?
MR. COLLINS: Can you flip me to it too?
MR. MASSALON: Sure.
THE COURT: This is the pre-approval application, is that right?
A This would have been the application with the property on it.
THE COURT: That was my question, this is

really the real application?
A Basically.
Q What is the date on that?
A 12/5.
Q 12/5/12?
A 2012.
Q I would like for you to talk me through the differences between this one and the one that was submitted in May. The obvious difference as you said it has a particular property that it is associated with?
A The one that was submitted in May was probably submitted through my website. So it would have been strictly the information that the borrower entered about the sale. Then once I convert the pre-approval to an approval for a property, I tailer the application based on all the documents that the buyers provided me for income, assets and so forth.
Q With this application in December, you actually get verification of income?
A I may have already had it, I may have had it all along, until the inspection issue and everything was cleared, that is when we began.
Q How did you know to do that?
A I was probably told by Ms. Cross.

Q She gave you the go ahead and you got to work?
A (Witness nodded head.)
Q You got copies of their tax returns from the treasury department?
A I don't know about tax returns, I don't do that. I get pay stubs and W2s, if I think we need a tax returns I will get it, unless they are on commission or self-employed I don't get tax returns back then. Now, we do a little more than we did back then. The processor actually sends for the tax transcripts from the IRS. There is a lot of things that happen after I finish in the file that is not done by me.
Q So you fill in the specific information, you sign it, you get the borrowers to sign it in hand, correct?
A Correct.
Q The pre-approval application isn't signed?
A Not normally.
Q And this one was not?
A We don't require signatures on those because it is basically an electronic signature, it is on the website.
Q For the real application you have to get a real signature?
A Typically what I do is I mail them because that doesn't stop us from starting the loan. I put copies

in there of what I did with the file and send it for process and then we wait for the signed paper work to come back.

Q On this one it looks like you signed it on the 5th of December and Ms. Cross and Mr. Dudek signed it on the 10th?

A Right. That means I probably would have mailed it to them.

Q Once you signed it then you turn it over to your loan processor to collect the information, I think you said?

A I ship the file to the corporate office and they do all of the work from there.

Q Is that different than underwriting the loan?

A Yeah, it is pretty much an assembly line type process, it goes from me -- back then we had a different structure than we do now. Back then it went to the preprocessor and they would order the transcript of the appraisal and they would -- if we got a credit card of money or the check, they would process the funds, they do a lot of the preliminary stuff and then they give the files reassigned to a regular processor. The regular processor puts the file together and submits it to the underwriter, which is all on the timeline.

Q But those are entries that somebody else makes?
A Correct, and their names are by there.
Q I think you told us, I was going to ask you who orders the appraisal, but it sounds like at this time the preprocessor would have ordered it?
A Somebody named Dona ordered it.
Q Earlier we had a talk about the plat, do you remember when the appraisal was ordered that there was any issue with the plat?
A I don't remember, I would have asked for a copy of the plat to give to the appraiser because the appraiser looks at the county records and they have to be aware of what is going on in order to be able to do the appraisal correctly.
Q Would it be right to say that you don't remember there being any hitch or any hiccup after the appraisal was ordered with the plat?
A I would imagine that we probably had it at that point, which is why we waited so long to order it.
Q I will come over again and find a copy of the plat for you because I want to ask you a couple of questions and I can direct you. I flipped you over, turned over to another file in the bank file, you are welcome to look at the entire thing, it is a copy of the contract and attached to it is a document labeled

addendum C, do you see that?
A Yeah, it seems that there are some comments somewhere on the print out of addendum C.
Q Let me ask you this question then I will ask you that one, does addendum C look like the copy of the plat that you got?
A I don't remember what it looked like but it --
Q It has a bait stamp on it of November 20th, do you see it up there. If you look on the left side of the page sideways --
Q I got a bigger one here that Mr. Collins is going to share with us if that will help.
A Okay, that looks like a plat, that looks like a hand drawing.
Q Do you see that plat there, that has a file date of November 20th on it?
A They had it surveyed then.
Q And you told us that Ms. Cross gave you the go ahead in early December, a couple of weeks after that was recorded?
A So I don't know if being recorded and being approved by the county is the same thing.
Q Did Ms. Cross pay the appraisal fee on December the 5th, do you know?
A I don't know, but I assume so.

Q That would be another difference between the real application and the pre-approval application?
A I think at that point we were not allowed to turn in the files until we had the money.
Q Any other fees that Ms. Cross would have paid on December the 5th that you wouldn't have paid in connection of the pre-approval application other than the appraisal fee?
A There are no fees for a pre-approval application, does that answer your question?
Q Almost. Are there other fees associated with the loan application other than the appraisal?
A There are, but the only thing that we collect up front is the appraisal fee, everything else is collected at the closing.
Q If you pulled the credit report in connection of the pre-approval application, would she have paid a credit reporting fee at that time.
A We don't collect it at the time of pre-approval. They may have collected it at closing, but not at the time of pre-approval and if they never close, we never collect it.
Q After the loan went to underwriting, did you ever touch it again?
A No, I don't have physical possession of the paper

file, once it leaves me it goes to the corporate building. There is a computer file, but it is not an image of the paper file, it is just the way we put the loan in the computer.

Q In this date and time that was probably a bad question. After you submit the file to the underwriter, do you have any further involvement in it either physically or electronically in getting it processed?

A I keep tabs on it, I communicate with the people involved in processing the loan, but I'm physically not able to change anything in the computer, I'm only a viewer at that point. I can talk to people. I can pull up the memo screen and read it, but I can't type in it and I e-mail people back and forth to work on the file to find out where we are at, I don't do any of the actual work after that, other than tracking.

Q Let me get you to flip to tab L in the notebook, what is that?

A That is a commitment letter.

Q That is a different thing than a pre-approval letter, right?

A Yes.

Q The commitment letter is the bank's statement saying we will loan you a certain amount of money on

certain terms?
A Right and subject to these conditions that are listed.
Q Now, this has got a typewritten name Maddie McWarder [ph], do you know who that is?
A Maddie is the processor.
Q When this is generated in the bank do you get some sort of notice that it happened?
A We don't do this anymore, but I think they would send me a copy of it, but she was kind of brand new and she was being supervised by Kay Rate or Shaun Marie.
Q Not you, but someone at the bank?
A No, I'm not a processing supervisor.
Q These conditions that are listed here ask for this information to be furnished within three days, do you know if that happened?
A I don't know, it might be in the timeline, I don't know.
Q Certainly take a look at timeline if you want to and see if it shows up?
A So it looks like Maddie said she discussed the outstanding items with me and at that point it probably would have spurred me to make a phone call.
Q When was it that Maddie would have discussed

those items with you?
A It says 12/12. Which is the date of the commitment letter.
Q One of the items it is contingent on is a legible copy of the sales contract and all addendums, do you see that?
A Uh-huh.
Q Whose obligation would it have been to furnish that to the bank?
A Well, the letter is addressed to the borrowers, but it doesn't stop me to contact somebody else like the realtor to get whatever we need because I don't mind calling people when we need to get things to get a loan done.
Q I got you, this agreement is between the bank, Ms. Cross and Mr. Dudek, so if you told them we need a legible copy of your contract as far as the bank is concerned it is their job to go get it?
A Right.
Q Any contingencies here related to the CL100 or the termite letter?
A We do not require CL100s unless there is something on the appraisal mentioning active termite damage or termite damage or water problems, we don't want them.

Q So from the banks prospective whatever was or wasn't in the CL100 was of no concern to the bank as far as closing this loan?
A It depends when we changed the rule. At one point, I don't remember when it changed, at one point if the contract said we needed a CL100 letter then we got the CL100 letter and at some point in time we decided that we didn't want to see it unless something came up in the appraisal that required that we get it. I don't know when that rule changed.
Q Would it have been listed in the list of conditions if it would have been required?
A It should have been.
Q It is not, is it?
A I don't see it.
Q Let me ask you about the title work. When a loan is being processed by the bank, who orders that?
A I don't know who was ordering it at the time, that has changed overtime, but it looks like the processor ordered it on 12/12 according to the timeline.
Q That wouldn't have been you, that would have been somebody else?
A That is correct.
Q Did you know what happens after the title work is

ordered, meaning did the title, did you all get an opinion letter or a report about titles?

A It wouldn't have come to me. I may or may not have known if there was a problem, but it seems like I remember reading something in here about that.

Q If the title work came back and it was clear, would it be noted in this place?

A I don't know.

Q Should it have been?

A The closers used to clear the title and then they changed it to the underwriter and it has just been a constant state of who does what, so I don't know what we were doing at that point, other than it wasn't me, it wasn't me. It would have been the underwriter or the closest processor. But I don't think they would have let Maddie clear the title because she was kind of new.

Q If the title was clear would there have been a clear to close notice or document in the closing file somewhere?

A I don't know the answer to that, that would be a question for the closing department.

Q Do you know based on your experience with the bank, how the bank makes a record when a title is clear to close?

A If an underwriter approves it, it would have been the underwriter to do that.
Q Would there be some specific document we would look for in the bank's file that would say that?
A I don't know, I don't know the answer to that.
Q Do you know if the title work here was ever cleared, I may have asked you that, but I'm not sure?
A It seems that there was another title in here about that, but if there was a title problem, just trying to see if there is a comment about it, yeah I don't see it.
Q Okay, so we just don't really know?
A Don't know.
Q Was there ever a closing schedule for this loan?
A I don't know that either. I know that there was a comment that we were trying to close on the -- I want to say the 28th is what I saw, but I would have to read this whole thing again.
Q If there is a specific date and time set for closing would that be something that would be in the file or on the timeline typically?
A Typically.
Q Not on this one though?
A We never got all of our conditions cleared.
Q What conditions remained uncleared?

A The remaining condition was a contract extension, which we never got.
Q So the contract expired and you didn't have a live contract at the time --
A We wouldn't move forward without the contract extension.
Q There are a couple of questions that I had for you that don't fit neatly in any of these categories so I am just going to get you to refer to some documents and ask you. First on the timeline, if you looked at the entry, 12/20/12?
A Uh-huh.
Q It indicates there that the bank got a legible copy of the contract and addendums?
A Sandy is the underwriter, she is the one that is requiring the legible contract.
Q At that point there is mention of repairs that need to be either completed or certified, do you see that?
A I guess we weren't getting the repairs done so we asked for the legible contract.
Q That wasn't until the 20th?
A That is what it looks like.
Q Now, the next item and I am not trying to be a smart alec here, but it contains something that

doesn't make sense to me and I don't know if it means anything to you. After the words 11:05 a.m. Maddie?

A Where are we?

Q 12/20/12, 11:05 a.m.?

A File to Cadera, that is a person. For VOE label, I'm not sure what that is, trying to close on December 28th.

Q That is maybe where you saw the reference to the 28th?

A Yeah.

Q You don't know what VOE label is?

A No, I remember one of the things that we ran into, which nobody anticipated was that on the loan several days, a couple days, before closing we actually do verbal verification of employment, we want to make sure the borrowers are employed with their employers and we were unable to do so because Trident Tech had closed for the holidays. So there was a big scramble trying to find somebody at Trident Technical College to verify Ms. Cross's employment and say that she still was employed.

Q So that was another problem with the closing?

A In addition to not having the contract extension.

Q In an entry a couple down, 1/12/13, there is a reference to a short sale?

A That is an error, that girl, I don't know why she put that in there. She made some kind of assumption and that is not right. That entire paragraph is not right.

Q It is just a mistake. Now, on the list that you brought us today, Exhibit 22, there is an entry for February 13, 13, about a request of a list of questions that Ms. Cross had submitted and I would like to flip you over to those for a second if I can and see if you know anything about these questions. Judge, just for your reference this is the document under tab P that has Cross, Dudek, and East Butternut typed at the top.

THE COURT: Yes, I have it?

A I have never seen this before.

Q Do you recall providing any information to anybody that would have been inserted into this sheet?

A No, I don't.

Q One the questions is and I know that you haven't seen this so I'm not referring to this specifically, but there is a question that asked did you ever refuse a clear to close notice which is in parenthesis, is that the name of the document that the bank routinely generates?

A I don't know. I know that I get verbal clear to

closes from, I guess the processor, that does the clear to close in most cases now, I believe, or the underwriter. But like I said our process is constantly changing, especially since we were by acquired by another bank.

MR. MASSALON: Your Honor, may I have just a moment.

THE COURT: Sure.

Q Ms. Williams, one last thing about the survey, in the e-mails that we looked at earlier it looks like there were some e-mails exchanged about the need for it to be resurveyed at the end of October, do you remember looking at those?

A I think that is when we were discussing the division of the property.

Q Just to make sure the record is clear on that, after you had that exchange with Ms. Cross, do you remember following up with her specifically on that issue or were you just waiting to hear from her before you did anything else?

A I was waiting to be told that the property had been subdivided successfully and approved through the county and a new TMS number had been issued.

MR. MASSALON: Thank you, that is all I have, your Honor.

Allison Williams: Cross Examination by Mr. Collins

THE COURT: Mr. Collins

CROSS EXAMINATION BY MR. COLLINS:

Q Thank you, your Honor. This should be short and brief. Is there any doubt in your mind that my clients were approved or in your part pre-approved?

A No, I wasn't worried about the approval at all.

Q Why not?

A Because I already pre-approved them. My main concern during the loan process was that my interest was the same as theirs or the bank's, to make sure that they were satisfied with the condition of the property and that legally the subdivision had taken place before we got the appraisal, had we ordered it before, I'm not sure it would have been a valid appraisal and we would have had to had gotten an updated appraisal anyway.

Q If you didn't think that you wouldn't have written that letter?

A Right.

Q How was the communication with Ms. Cross, did you guys talk frequently?

A We did.

Q In your opinion do you think that she diligently pursued financing in this case?

MR. MASSALON: Objection, your Honor. That

calls for an opinion by a witness.

MR. COLLINS: I can qualify her as a mortgage processor if you wish.

MR. MASSALON: I think what he is asking is a question that you have to decide, which is it your opinion that she did all she could have done.

MR. COLLINS: That doesn't mean that Ms. Williams doesn't have an opinion as to that. I'm not asking for a legal opinion, I'm asking for lay opinion in your position as a mortgage processor.

THE COURT: I'm going to overrule your objection, I think it is okay.

Q Did she diligently pursue?

A I think she did. Once her due diligence that she would do on the property was completed.

Q Are you aware of anything that Ms. Cross or Mr. Dudek did to slow down this process?

A No, not necessarily.

Q Do you know Susan Nicholson?

A I have talked to her, I don't know her personally, but I know her from the transaction.

Q Do you know what role she played in this transaction?

A She was the selling agent.

Q The selling agent or the buyers agent?

A That is what they call them now, the buyers agent. It used to be listing and selling. They changed --

THE COURT: Let me tell you what the Court understands, the listing agent would be Mr. Willis who listed the property and the selling agent would be the agent who brought the buyer to the table.

Q That is your understanding also?

A Yes.

Q Did you ever have any conversations with Susan?

A Yes.

Q Do you think that she performed her role diligently in representing Ms. Cross and Mr. Dudek?

A As best she could.

MR. COLLINS: Thank you, I don't have any further questions. Mr. Ferro has his right, but I was going to ask if he could be excused after.

THE COURT: Mr. Ferro, do you have any questions of this witness?

MR. FERRO: I do not.

THE COURT: Mrs. Ferro, do you have any questions of this witness?

MRS. FERRO: I do not.

THE COURT: Both Mr. and Mrs. Ferro do not have any questions of this witness, Mr. Massalon do

Allison Williams: Redirect Examination by Mr. Massalon

you have any redirect?

MR. MASSALON: Just a couple your Honor.

THE COURT: All right.

REDIRECT EXAMINATION BY MR. MASSALON:

Q Ms. Williams, you told Mr. Collins you couldn't think of anything else that they could have done to pursue the application more diligently, but how about if they would have made their application earlier and gone ahead and paid the appraisal fee and the credit report fee, that would have sped things up, wouldn't it?

A Maybe, but we would have still been dealing with the issue of the subdivision of the property.

Q But we saw that the plat was at least prepared or recorded by November the 20th, right?

A But was that when it was approved, the approval, there is a governing body that approves the subdivision.

Q When you got the appraisal, do you assume that the appraiser used that plat?

A I don't know for sure, but I assume so.

Q I think we talked about this earlier, but there weren't any hiccups or problems with the appraisal once it was ordered?

A No, we got it fairly quickly.

Q So if they applied earlier, gone in and paid the appraisal fee and the credit report fee, there is a pretty good chance that would have sped things up?
A By a few days.
Q Finally, are you familiar with the time is of the essence clause in a contract?
A I have seen them.
Q Do you know what that means?
A I guess not in the legal sense of it.

MR. MASSALON: That is all I got.

MR. COLLINS: Nothing further.

THE COURT: Mr. Collins has requested that this witness be released, do you have any objection to that Mr. Massalon?

MR. MASSALON: I do not, she can be released from the subpoena, we appreciate her coming.

THE COURT: Mr. Ferro, Ms. Ferro, any objection on her being released?

MR. FERRO: No.

THE COURT: I have one question, have you had an opportunity to look through all of the closing, all of the First Federal documents that were prepared or submitted.

A No, I haven't seen those since the time of the loan back in 2012.

THE COURT: Would you do me a favor then and just look through those documents and I'll give you five or six minutes to look through tab P for me and tell me if there is anything in there that looks out of the ordinary or if it looks like it is the standard time?

A Okay. I'm not familiar with closing documents anymore.

THE COURT: So you are telling me you wouldn't know what all the underwriting --

A I can look at the underwriting, but once it gets into --

THE COURT: Let me clarify this, P has been represented to be First Federal's file of documents on the Cross, Dudek loan and all I'm asking you to do is to look in there and see if it contains everything that typically would be found in the loan documents filed for, in this case, Mr. Dudek and Ms. Cross' loan. If you would take a few minutes and do that for me to make sure I understand that is what it consists of?

MR. MASSALON: Judge, just take note that the first page there is the certificate that we got from First Federal and behind that is the subpoena that I sent them asking for the record and I just

copied everything that they sent us.

THE COURT: At least from corporate's perspective of this, this is all corporate files and there was a question during your direct examination, Mr. Massalon, about the letter not being in the file, the letter of October 22, I think, about not being in the file. As I understand, the witness was not able to say why it wasn't filed, but it was something that she generated. The only difference of the letter would be the name of the borrower and the amount of the purchase price and the rest of it would be standard language that would be sent out, basically your approval of this amount for purchase price.

MR. MASSALON: That was my understanding from her testimony.

THE COURT: Okay. I guess we can draw from that that there may be some records that could have been basically in Ms. Williams' file that never made it to the corporate file, would that be --

A I can give you an example of what might be. If she had given me income and asset documentation when we started the process, if it was expired, it is only good for 60 or 90 days I would have not included it in the file.

THE COURT: What about your e-mail

correspondences, all of that ever sent to corporate?
A No.
MR. MASSALON: The e-mails that we looked at were the ones produced by Ms. Cross and Mr. Dudek in discovery.
THE COURT: One to follow up, did either one of you subpoena the records from Ms. Williams' file?
MR. MASSALON: The subpoena that we sent Judge, we subpoena them twice and when you look at them you can see we did it about a year ago and it just ask for any or all bank documents, tangible things of any description whatsoever, electronic or otherwise relating to them. Initially we got back a letter that said we don't have anything which is kind of odd.
A I can explain that if you would like. I think I can explain what happened with that.
MR. MASSALON: I'm not critiquing the bank for it, I'm just trying --
THE COURT: Just trying to get an understanding.
MR. MASSALON: We only got the file when we sent Ms. Williams a trial subpoena and then I guess it got kicked up to Columbia then they sent us the file

Tuesday.
A I think whoever the lady was that received the letter, based on the way the letter was worded she thought it was an open account with the bank. There were no open accounts with that property address, so that is why you didn't get a response, it wouldn't have been open status.
THE COURT: One other question from me and it is this, who was the underwriter within the First Federal system or was this a third party for purchases?
A She works for First Federal and she still does and she sits at the corporate office.
THE COURT: Thank you.
A Any documents that I would have had I probably would have destroyed anyway. Any expired pay stubs, bank statements, anything like that that would have not been relative. They would have shredded them, if I sent them all those documents they just shred them at the corporate offices anyway.
THE COURT: I think that that satisfies me that you are satisfied with everything. Thank you very much. You are now released from your subpoena.
A Do you need me to stay here?
THE COURT: No, we are finished. Unless

Mr. Ferro has an objection I'm going to let it stand as it is. Ms. Williams, thank you very much for coming today. You are released from your subpoena, you can return to your place of work or you can stay in the courtroom and watch all of the action.

(Hearing went off the record.)

THE COURT: Mr. Massalon, do you have any other witnesses?

MR. MASSALON: I don't have any other witnesses, your Honor. And I would like to ask you for a directive verdict on the contract. The basis of the motion is the contract itself is not ambiguous testimony from Ms. Cross and Mr. Dudek, it wasn't ambiguous. It clearly requires in the financing provision that time is of the essence to make both their application and to furnish proof of financing. The testimony then disputed that the October 22nd letter is not that, it is just a pre-approval letter and that is not proof of financing. So that contingency failed and time is of the essence, probably more importantly they have a contract closing deadline of November the 30th, time also being of the essence.

The testimony has been from all the witnesses that you have heard that Ms. Cross and Mr. Dudek did

not even apply for their financing until five days after that. The explanation that you heard for that or the rationalization for it is we were waiting for a plat, but that is subjectively untrue because the plat was prepared and recorded on the 20th and they had it within a few days of that and still did not apply for their loan. When they got that plat they didn't run out and apply for the loan. What the proof shows is that what they were doing is waiting until they got satisfied with the repairs to be made, which is their right under the contract. They had the right to be satisfied with the repairs. Before they made the loan application and financing, which was not their right and they assumed an extension which they weren't entitled to under the contract.

Again that extension paragraph says through no fault of either party, but it is our position that they had a definite obligation for financing which they didn't do, they consciously waited, which they didn't have a right to do. They assumed that they had an extension which they didn't have and then they didn't even meet that deadline, they weren't ready to go on the 15th. So I think the unambiguous contract and undisputed facts clearly show that this contract expired, was no longer valid, they have no right to

buy this house. So I would ask for a direct verdict on that case.

THE COURT: Thank you, Mr. Collins.

MR. COLLINS: Your Honor, obviously the testimony that has been presented in the last day and a half or so the light was favorable to my client and clearly shows that even before we even stepped foot on this property we had been pre-approved by the lender $295,000, that is pretty good. Those closing lawyers know that once you get through the hurdles with the bank and all that kind of stuff, sometimes these loans fall through. My clients took the first step to get this loan pre-approval before they ever went to the house. That is clearly what the testimony my clients showed and the testimony of Ms. Williams from the back. I asked her directly whether or not my clients diligently pursued their financing as required by this contract and her unambiguous answer was they did everything they could do and then I asked her if they did anything to delayed it and she said absolutely not.

So to sit here and say they didn't comply with the financing terms of the contract really is a little bit disingenuous, I think. Really the other issue that has really sprung out of this thing for me is

that all of this stuff is flying around about the CL100. Ms. Williams did testify that the bank didn't require that or maybe it did depending on what timing you are talking about, but the contract clearly does. The contract clearly calls not only for a clear CL100, but it also calls for a satisfactory CL100. That satisfaction being based upon my client's satisfaction.

To this day we still don't have the CL100, so it is a little problematic for me to try to hold my clients at default of the terms of the contract when the seller himself is at fault. The fact of the matter is if this thing had been carried over to maybe the next week this transaction probably would have gone ahead and closed and we wouldn't be sitting here in front of you.

Admittedly, that is theory on my part, but that is the feeling that I get from it. Then when you throw in the fact the day after, the very day after, this contract, the 15 day extension ran out, without the 5 day write up of pure, which I may say to the default division. Mr. Ferro enters into another contract for $24,000 less and gets a $5,000 check by Ms. Morphew.

I'm not a closing lawyer and haven't been

throughout my career, but I have not seen very often in cases that I've litigated where the earnest money or deposit check is not given to the realtor, but is given to the seller. So all of that I think is enough fact in dispute in this case to get us by a direct verdict and I don't think that Mr. Massalon's clients are entitled to judgments as a matter of law in this court.

THE COURT: The Court is not going to grant the motion to grant a direct verdict. I think it should be a motion for nonsuit, but we will constitute it as a motion for nonsuit.

MR. MASSALON: Thank you.

THE COURT: At any rate, I am going to deny the motion at this time. I do think there are sufficient facts in dispute as to the issues of compliance with the contract by Cross and Dudek as well as whether Mr. Ferro had complied with the contract. The reasons I think there are a number, the facts are still in dispute. I'm going to deny your motion.

MR. MASSALON: Just for the record and I understand your ruling, I do have a couple of responses to those, but I understand that you ruled and so I didn't want to waive those, but I understand.

MR. COLLINS: Judge, the other thing is, and I think there is a cause of action out there in Mr. Massalon's complaint with potential to interfere to a contract, which there has been absolutely no testimony about that. There has been no testimony presented about damages so we would respectfully request a nonsuit on that cause of action even if he intends to pursue it.

THE COURT: I will let Mr. Massalon direct that. Go ahead.

MR. MASSALON: Your Honor, I think for purposes of clarifying the record that we will withdraw that claim and I think just leaving us the DJ case, the breach of contract and the specific performance claim, same thing we have.

THE COURT: At this time the cause of action, Ms. Morphew's cause of action for interfering with the contract has been withdrawn and we will not consider that cause of action going forward.

MR. MASSALON: Thank you, Judge.

THE COURT: Mr. Ferro, do you want to be heard on these motions?

MR. FERRO: No, sir.

THE COURT: Mr. Ferro waives his right to be heard on the motion for nonsuit, Ms. Ferro, do you

have any comment on the motion?

MS. FERRO: No.

THE COURT: Ms. Ferro has now waived her right with the motion. We are now at the point now where we can go forward with Mr. Collins' cause, which technically he is the defendant now, but he is also the plaintiff in the first claim. If I'm correct Mr. Massalon adequately described a point which we are, both parties have sought a specific performance of contracts that they respectively hold, the issue, I think that you have raised in your pleadings Mr. Collins is a breach of contract by the Ferro's. So I think we need to go forward on that claim as well as your claim for the specific performance, which is addressed essentially in your counter claim as well, so I am ready to hear your case if you would like to go forward at this point.

MR. COLLINS: Your Honor, John and I discussed procedurally how we think the best use of the time of the Court in an efficient manner. I don't really need to put my folks back on the stand. I think we got all of their information out, with John's direct and my cross. That is subject to bringing them back if Mr. Ferro presents some evidence and brings them back in reply. We have Ms. Nicholson who I want

Susan Nicholson: Direct Examination by Mr. Collins

to reply, she has been subquestered since the beginning. Other than that, that is really about it.

I want to make sure that there is no prejudice from the Court by me not putting my clients back on the stand and regurgitating all of the stuff we did for two-thirds of the days.

THE COURT: That make sense. Mr. Massalon, do you agree with that, that the testimony that Ms. Cross has given under your direct examination is acceptable as the testimony for the direct examination of Ms. Cross by Mr. Collins?

MR. MASSALON: I do your Honor, the cases have been consolidated and I think that you can consider all the testimony that you heard in our case and this case in chief without him having to recall them.

THE COURT: I think that makes absolute good sense.

MR. COLLINS: With that I will go get Ms. Nicholson.

(Susan Nicholson, being duly sworn, testified as follows:)

DIRECT EXAMINATION BY MR. COLLINS:

Q Thank you, Judge, what do you do for a living?

A I sell real estate, I'm a real estate agent.

estate.
Q When you say your husband that is the young man that has been sitting here since day one, right?
A Yes, sir.
Q He is also a Carolina One agent?
A He is, just recently, yes, sir.
Q So you got together with my clients and discovered that they were wanting to buy a house?
A They were curious about it, they weren't 100 percent sure if they wanted to buy a house. We got on the topic and they had asked about a house that they had seen and I had actually shown it a couple of days prior to another client and knew it was vacant and I asked if they wanted to go take a quick peek at it that day and they of course agreed.
Q You took them out to look at that?
A Yes, sir.
Q Did you ever reach a point in time when you had a signed agreement with them?
A Yes, sir.
Q Again observing Carolina One formalities you entered into a representation agreement?
A Yes, sir, buyers representation.
Q How many houses did you show them, show my clients?

type of financing that they get will require a clear CL100. CL100 will tell you if there is termites on the property or if there is high moisture underneath the house, wood destroying fungus, things like that, mold that is underneath the house. So that is a requirement to make sure that you have a clear CL100 so the buyer knows what they are getting themselves into.

Q I represent to you that Ms. Williams testified that she wasn't really clear whether or not First Federal needed a CL100 or not?

A Okay.

Q But it is important to the buyer, isn't it?

A Yes, sir.

Q Was the CL100 a part of this contract?

A Not a part of the contract.

Q Well the contract provides for a CL100, correct?

A Correct. The contract states that we need a CL100, but obviously we didn't get the CL100 from them until later, well actually not really.

Q Tell me about that?

A We received a CL100, I actually had to contact the closing attorney to get a copy of the CL100. I had sent e-mails, voicemail's to Mr. Willis and to Mr. Ferro asking, we really need the CL100 so I can

because I had already talked to Mr. Willis after I had the conversation with Mr. Ferro and he told me to go ahead and get the contractor out, he wanted him and I to pay for the letter from the contractor and I explained that I wasn't going to pay any more money. I had already agreed some of the cost for the hall repair to help ease Doreen and Steve's mind.

Q But you all were still negotiating?

A Yes, sir. He said for me to go ahead and send the contractor out and he would pay for it and he would talk to Mr. Ferro and take care of it. I apologize for interrupting him because he was still at the hospital with his son. I then didn't contact Mr. Ferro anymore and let Mr. Willis inform him of everything.

I then sent an e-mail to the contractor with Mr. Ferro's information and Mr. Willis' information to make arrangements for him to come out and to get payments from them for the letter because I didn't want to set up the appointment and then have my contractor if he didn't get paid and come back to me and say you ordered it, you need to pay me.

Q I guess what trying to get at Susan, is that during this time, the second week of December, you and Mr. Willis, my clients and Mr. Ferro are negotiating

out this final thing on the CL100?
A Yes, sir, on several things.
(Defendant's Exhibit 4 has been marked for identification.)
Q Is that the response from Mr. Ferro to the e-mail?
A Yes, it is the e-mail, the response, but this is not my copy. This was actually dropped off with other documents that I had told Mr. Willis that we needed, that the bank was requiring so we could get the home to close it. When I picked up this paper work the note was written and circled and I didn't know, nobody had told me that the contractor never came out to reinspect to clear the CL100. I left it up to the contractor to call him and then I forwarded the e-mail to Mr. Willis with the contractors information in case something had been misplaced because Mr. Willis was at the hospital with his son.
Q Whose handwriting is that, do you know?
A I don't know.
Q That is not yours?
A No, sir.
Q Judge, I move that into evidence as Defendant's 4.
THE COURT: Mr. Massalon, any objection?

you to her on the same day October 24th at 9:43, do you see that?

A Uh-huh.

Q In part it says hey, this is you to Ms. Cross, attached are the pages that we changed in the original offer. I need you both to review and initial by the XX and date it. I need to get this as soon as possible, if it is easier for me to meet with you to get initials, just let me know and I can arrange that, see below for the list of the process?

A Uh-huh.

Q And item two says what?

A Applied for loan.

Q Two days after the October 22nd letter, you are telling Ms. Cross that she needs to apply for a loan, right?

A Well specifically the process was the loan officer, they can't do anything until they have the ratified contract so she gave us a pre-approval based on -- she can't do anything until she sees what the terms are of the contract and what they are wanting to purchase. So they had to submit the ratified contract to the loan officer.

Q Again, the October 22nd letter wasn't the loan application called for by the contract because two

days later you are were telling Ms. Cross you need to go apply for that loan?
A Submitting the paper work on what property they were wanting to purchase.
Q It says in number two apply for the loan, doesn't it?
A I guess, but I mean, it says apply for a loan.
Q You wrote that to Ms. Cross, right?
A Yes, sir.
Q Flip back for me if you would to the contract and again that is tab C in the notebook or the one you got. There was a question about the extension agreement and I would ask you to take a look at paragraph 12 of the contract for me?
A Yes, sir.
Q It says if the transaction has not closed within the stipulated limit because a contingency has not been satisfied of no fault of either party then both parties agree to extend this agreement for a period not to exceed 15 consecutive days?
A Yes, sir.
Q That is also time is of the essence?
A Yes, sir.
Q What that tells us is in a situation the parties can't close for a reason that is no ones fault then

they would agree to a 15 day extension, right?
A Correct.
Q If you assume for me that this transaction didn't close, because Ms. Cross and Mr. Dudek didn't apply for the financing until December 5th, that wouldn't fall under paragraph 12, would it?
A I don't understand what your -- can you explain it a little bit of where you are going because there is a lot more to this than what the contract states.
Q Well, I can try to rephrase my question if you don't understand, if that is what you want me to do?
A Yeah, that is fine.
Q What I want you to do for purposes of answering this question is assume that the contract didn't close by November 30 because Ms. Cross and Mr. Dudek didn't apply for a loan until December and I know you think there is more to it than that but for purposes of this, if that is the reason that it didn't close paragraph 12 wouldn't provide an automatic extension because that is a failure caused by one of the parties, correct?
A Correct.
Q Likewise, if it didn't close by November 30 because the Ferro's didn't do something they were supposed to do that also wouldn't result in an

November sometime and that is when we -- I believe that is when we found out that she was out of town on some mandatory training or something like that. I actually had a conversation with Mr. Ferro about all this when I had met the contractor out at the house and I explained to him because he wanted to know when we were closing and I told him we just got the plat. I sent it to the lender, we had the holidays and he wanted to know about the appraiser, I said I didn't know, I hadn't heard anything and he said he hadn't heard of the appraiser so I told him that I knew that they were waiting on the plat before they could even set up the appraisal because they didn't know if any of the specifics of the property would have changed. We didn't know if there was exactly the same acreage, we didn't know if there were any issues with the property whatsoever, we didn't even know if Dorchester County would approve the subdivision.

Q But in the end the appraisal didn't hold up the deal, did it?

A We got the appraisal on the 14th of December and I told Mr. Willis that.

Q The repairs, let's talk, if we can a little bit about those because you gave some testimony about that, and again I want to ask you about a few of the

A I don't see the below link where it says see below the e-mail from the sellers, it just stops.
Q I was reading the part right here.
A Okay.
THE COURT: Which part is this part?
MR. MASSALON: It is about midway down and it starts with the word hey, do you see that?
THE COURT: This is November 7, 2012 at 2:11 p.m.?
MR. MASSALON: Yes.
THE COURT: This is from Nicholson to Cross and Dudek, see below for response from the seller?
Q Right. Then it looks like there is an e-mail there from Mr. Ferro to Mr. Willis describing the repairs that they would do, right?
A Yes, sir.
Q Now, the agreement that was made didn't require Mr. Ferro to make any repairs did it, the contract?
A I'm sorry what was that again?
Q The contract between Ms. Cross, Mr. Dudek and the Ferro's didn't require the Ferro's to make any repairs, did it?
A The ratified, the original contract?
Q No, the one they all signed, whatever you call that?

valve, electronic issues one through six, presumably from your list, right?

A It just says thanks to Rick, and it just says thanks. Again, it is not anything clear from the owner.

Q So your problem with this list is not that it is not specific, but that it wasn't signed by Mr. Ferro?

A Right, I related any information that I got from Rick Willis and the sellers over to my clients so that we could discuss it and they make a decision on how they wanted to proceed.

Q This e-mail from Mr. Willis even says I copied the specifics of what Mr. Ferro will do, but that wasn't sufficient?

A Again there are no signatures.

Q Was the concern yours or was the concern your clients?

A Mainly their concern.

Q They were more worried about it than you were?

A Correct, well we were both over consensus about it.

Q But they were worrying you about it more than you worried them about it?

A No, well I agreed because Mr. Ferro had made several indications on some things that the house was

Q Did you ever tell Ms. Cross and Mr. Dudek they needed to hurry because they only had until the end of November to get this closed?
A I don't know.
Q In your understanding of the contract, did your negotiation over these repairs suspend all of the other deadlines in the contract?
A The financing because the lender asked me -- she had just found out about the problem with the engineer, they had to have an engineer take a look at the house and make sure it was structurally sound and the lender had asked me if I had gotten the engineers report.
Q When was that?
A It was in that process, I don't recall the exact day.
Q Was it before the first of December?
A I believe so. I know I had a conversation with her and asked her, you know, again, are we okay, she got the survey and she said have we gotten the structural engineer, I believe she asked about the CL100, she was going down the other contingencies in the contract to make sure all those were completed so she could report.
Q Was it your understanding that the bank was

concerned about the structural integrity of the house of the CL100?

A Yes, I mean most loans that people are getting financing, the lender -- there is a requirement from the lender that was asked.

Q How about this one, do you know if it was required of this one?

A I didn't know if it was required, she just asked me if everything was satisfied.

Q Now, take a look at that next e-mail in the chain, if you would. This is an e-mail from, the top of it is from you to Ms. Cross and Mr. Dudek that says okay, I just wanted to see how you guys were feeling about yesterday since we didn't really talk. And below that is the November 16th e-mail to Ms. Cross to you that tells you about the structural engineer inspection, do you remember that?

A Yes.

Q It would be accurate for us to understand that Ms. Cross and the structural inspector did not get along very well?

A Correct.

Q In it she said that she believes that he came in with some preconceived notion as to the structural condition of the home, do you see that?

A Yes, sir.
Q Then she complains that there is a no moisture test done in the crawl space?
A Correct.
Q At one point it says apparently he is too important to carry the moisture measuring device, do you see that?
A Uh-huh.
Q Was it your understanding that the structural engineer was supposed to check for moisture under the house?
A No, sir.
Q So Ms. Cross was wrong about that?
A Correct. I don't know if she was wrong, she just might have misunderstood when we discussed the process of who was supposed to do what.
Q Were you out there when the structural inspection was done?
A Yes, sir.
Q Did you talk to the inspector?
A Yes, sir.
Q Did he tell you anything about the structural integrity of the home?
A He said that after he looked underneath it he actually told us all that he felt that it was okay,

but he still needed to go back and make some calculations and figure some things out and then he would send a report when he was done.

Q Did he just say it was okay or did he say it was structurally sound and he just wanted to calculate?

A I don't recall him saying it was structurally sound, he just said he thought it was okay, but he needed to make some calculations.

Q I want to refer you, there is a paragraph at the end of her e-mail that begins, my mortgage company says a realtor has been contacting them to see how the loan was going?

A Yes, sir.

Q Was that you?

A Yes, sir.

Q So you were keeping up with how that was coming along?

A Correct.

Q Then it asked if any new information about when the property lines will be recorded, do you see that, when the termites are going to be exterminated?

A Yes, sir.

Q Then it says can we hold you liable if future information becomes available contradicting this report, do you see that?

A Yes, sir.
Q What was that about?
A She was unsure of the stability of the stability of the home still. I think she was concerned and honestly you have to talk to her because the only comment that she said was I just want to make sure the house doesn't, you know, after we purchase it fall apart then who is going to be liable for telling us that it was okay and it really isn't.
Q So even after the structural engineer, she didn't have confidence in him and wanted to know if she could sue him if he was wrong?
A I explained to her that an engineer will put a stamp on any report that is why it is important to have the stamp on it so she would have that for comfort that according to his calculations that he felt comfortable about the home.
Q The next sentence says I sounds, but it looks like it should say it sounds. It sounds like it will be a challenge to take the information from Tim and use it in the counteroffer, what does that mean?
A I believe she is referring to the first contractor, that was actually out there with us when we were out there with the structural engineer. He wanted to take a look at the issues that they were

wanting to do and there were still some question at that time over the repairs that needed to be done that the sellers said that they would do because they never had a licensed contractor -- we actually sent an e-mail to Rick Willis letting him know that if they were willing to take credit for the repairs, that they would take care of the repairs after closing.

Q So the counteroffer was some bargaining that you were all talking about doing on the sale price with this information from the home inspector?

A Correct.

Q Did that ever happen?

A Rick Willis never responded.

Q Now, following the e-mail chain on down, the next e-mail looks like it was from you to Ms. Cross, November 16, 2012 at 12:04, right?

A Yes, sir.

Q The first thing that you say after the you make me laugh, is okay, after you left I went inside to speak with the sellers?

A Correct.

Q So you talked directly with the Ferro's that day?

A Correct.

Q You told him, I'm going to paraphrase here just to save us all a little boredom, you told him that you

all wanted to use license contractors?
A Correct.
Q You thought that they understood that?
A Correct.
Q Then you asked him about the septic tank and the need to service that?
A Correct.
Q Then a little later on there it says, there is a sentence that begins, also the sellers did make a comment that maybe they need to get Tim to look over the repairs, they said they would do since he is licensed so I may have him do that as well if that's okay with you?
A Correct.
Q Did that ever happen?
A I have no clue, because Tim, after I talked to Tim he said he didn't feel comfortable doing anything over at the house. So I had to contact another contractor -- as a matter of fact I think I said in that conversation here. I believe that I had given the contact information of that contractor, I told him that I would be happy to give him his contact information if he would like to discuss that with us.
Q The next sentence says Tim also said he thought the home was structurally good and felt good with the

Q The signatures that are on were December 3rd for Ms. Cross, December 4th for Mr. Dudek?
A Correct.
Q Obvious question, but both of them after November 30th?
A Correct.
Q You told us that the Ferro's never agreed to this?
A I was told by Mr Willis' assistant to go ahead and draft up the extension addendum, that they had explained it to -- let me rephrase it, she said go ahead and do the extension since we didn't close on the 30th and they would have the sellers sign it.
Q You presented it directly to the sellers?
A Correct.
Q They didn't sign it?
A They didn't really do anything that I had asked.
Q At the time that you presented the extension to the Ferro's did they say they weren't going to sign?
A No.
Q Did they tell you that they didn't think that the contract was going to close?
A He did make that comment, he didn't think it was going to close. I told him it was, it is just the process, because of getting the surveyor surveyed late

in the month on November and with the holidays and everything like that that they needed that before they could start the process to complete the loan.

Q When was it that you remember telling Mr. Ferro you thought the loan -- that that transaction was going to close?

A It was that first week, it was when I meant with the second contractor that crawled up underneath the house to look the at hall leak.

Q After December 1st?

A Yes.

Q Do you ever remember telling the Ferro's that Ms. Cross and Mr. Dudek were difficult clients?

A I don't recall saying that.

Q Your recollection was that you always told him it was always going to close?

A Yes.

Q Never told him that you didn't think it was not going to close?

A I never said that, no.

Q Your testimony is that Mr. Ferro never told you that he was going to start looking for another buyer?

A Correct.

Q When you were negotiating and talking with Mr. Ferro, you assume that you were the only person he had

A When they said they weren't going to close at all, yes.
Q When the Ferro's refused to sign the extension, you knew that the clock was ticking, right?
A Well the clock was ticking from day one.
Q But when they refused to sign the extension and you knew Mr. Ferro was in a hurry because he was moving to Kentucky, it didn't come as any big shock to you when you got the termination letter?
A Well I actually talked to Mr. Willis on the phone and told him that I still didn't get the documents that the lender was requiring. He asked me to send him an e-mail listing everything that we needed so I sent him and e-mail and I also attached -- the lender had said just to retype the contract, have all of the terms the same and have everybody just resign that because it wasn't legible, the contract wasn't legible by the time that it got to them.

So I attached that, again, the addendum, the extension addendum, everything that I needed at that time so that he would have it. He called me Friday evening and left me a message, wanted to know what my address was to my office so he could drop off the paper work. I then called him back, got his voicemail, left my address of my office on his

just a moment?

THE COURT: Sure.

Q Let me ask you this, if Ms. Cross and Mr. Dudek had applied for this loan earlier, not wait until December 5, but done it earlier than that, do you think this would have closed on time?

A No.

Q Even though the appraisal was done on the 20th, termite was done on the 30th of November, you think it still could not have gotten closed before you got the termination letter?

A As long as we had the recorded survey and all of the conditions were cleared on the contract then we could have closed.

Q But you are including, when you say all of the conditions, all of the repairs that Ms. Cross and Mr. Dudek wanted that the Ferro's had not made or agreed to make?

A At some point we figured out what exactly it was that they were going to do, but yeah the repairs, if they had completed all the repairs and submitted it -- even if he had a contractor, a licensed contractor to sign off on a letter that stated that these repairs were not needed they would have been satisfied with that as well.

Q In your view of it the fact that they waited until five days after the deadline to close to even apply had no effect on the time of the close?
A As far as I knew they already applied, they already submitted all of their documentation that the bank required of them, including the ratified contract, the lender was holding it until they got the recorded survey and the conditions were clear in order to move forward, that's what I was hoping.
Q You based that understanding on something that Ms. Williams told you?
A Yes.

MR. MASSALON: That is all I got, thanks.

THE COURT: Mr. Ferro, do you have any questions of this witness?

MR. FERRO: No.

THE COURT: Mrs. Ferro, do you have any questions?

MS. FERRO: Nope.

THE COURT: Any redirect Mr. Collins?

MR. COLLINS: Nope, we're done.

THE COURT: Anything further?

MR. MASSALON: No, thank you.

THE COURT: Thank you very much, thank you Ms. Nicholson.

MR. COLLINS: Your Honor, that is all of our witnesses. We stipulated that we will stand on the testimony of my clients and their direct examination of Mr. Massalon's.

THE COURT: Let's do this, Mr. Ferro, it is now your turn, would you like to come up here and give us your case and chief?

MR. FERRO: No, your Honor.

THE COURT: Mr. Ferro is waiving his right to bring his case and chief, is that right, is that what you are telling me?

MR. FERRO: Yes, your Honor.

THE COURT: Mrs. Ferro, would you like to make any comments in your case and chief?

MRS. FERRO: Yes.

THE COURT: Come on up. What do you have to tell us?

(Lorraine Ferro, being duly sworn, testified as follows:)

MRS. FERRO: Okay, I just want to say that we were rushed to close. We put that on the contract and as Susan said when we got the list from the contractor that he felt things needed to be changed, we started right away. We were working constantly, got right on the survey, we did everything we needed

to do to close by the 30th. Actually we were a little surprised by the extension, but no problem, the 15th worked we had hoped that everybody would close by the 15th of December. I just felt that from all the testimony I think that First Federal didn't actually start the loan process for the appraisal until it was paid for and that took the most time on their part. Two weeks to schedule the appraisal and another week for the closing attorney and I think that we notified everybody pretty much what our timelines were.

THE COURT: Mr. Massalon, do you have any questions?

MR. MASSALON: I don't think so, your Honor.

THE COURT: Mr. Collins?

DIRECT EXAMINATION BY MR. COLLINS:

Q So, I believe that it is your testimony, Mrs. Ferro, that you and your husband were okay with the 15 day extension?

A We weren't, we accepted it, it was in the contract.

Q You didn't like it, but you knew you were bound by it because it was in your contract?

A Right.

Q The appraisal was received on the 14th of

December?
A Uh-huh.
Q So that would have been obviously before the 15th, right?
A But if we couldn't close on the 15th, the closing attorney needed the title search, all of that work, he needed at least a week after the appraisal.
Q Do you understand that the appraisal couldn't get done until the surveys and all were filed and properly cataloged by Dorchester County?
A You know, I don't real understand that because from what I've heard, even when talking to Ashley Survey, they could have estimated. They could have estimated the line being that there was no other structure on it, it was just raw land. So at the end it could have been added plus or minus on average, but they could have estimated, made the line and before the closing got the actual stamped copy.
Q I don't know if what you are saying is right or wrong, I'm not an appraiser.
A That is what they told me, they said it happens all of the time.
MR. COLLINS: I don't know how often it happens, but thank you.
THE COURT: Mrs. Ferro, I'm going to ask

this question. As you said, your timelines, everybody knew our timeline, do you think given the circumstances of the complexity of the transaction that your timelines were reasonable?

A Yes, I think that the contract was signed October 24th and actually if it was me buying something I would want to know what the appraisal was, maybe I'm paying too much, I would want to know right away, what the appraisal. Is it going to satisfactory to me as the buyer, so I mean I would have done that right away.

THE COURT: Well that addresses the appraisal, with the other timelines -- all of the timelines there, three, four, five of the contract?

A Well in the course of events I think that as soon as the appraisal was done, what was it about two weeks late or so, two, three weeks in time from the appraisal to the closing attorney that way everything could have been settled. And I feel that any repairs that weren't done at the time of closing, could have been negotiated at closing. We were ready, we were ready to go so I don't think that waiting on all of the repairs was a necessity.

THE COURT: Thank you, anything else?

MR. COLLINS: No, sir.

(B) Ex 2

First Federal

October 22, 2012

10/22/12 Pre-Approved

Doreen Cross & Stephen Dudek

Dear Doreen & Stephen,

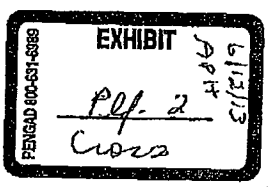
You have been pre-approved for a purchase price of $295,000.

Approval is contingent upon receipt of an acceptable appraisal and loan documentation for credit review, provided that verifies the income and/or assets stated on your loan application, as well as receipt and review of any other documentation that may be requested by First Federal.

I look forward to working with you during your home financing process. If you have any questions, please feel free to call me.

Sincerely,

Allison Williams
Mortgage Loan Officer
690 Bacons Bridge Rd.
Summerville, S.C. 29485
843-529-5894
843-875-1338 (Fax)
NMLS ID #607897
awilliams@firstfederal.com
www.firstfederal.com/allison



(C)

Ex 3

10/25/12 pg 1 of 5 Cross

AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

© Carolina One Real Estate

1. **PARTIES:** This legally binding Agreement entered into on October 20, 2012 between, Buyer(s), Stephen Dudek, Doreen Crepp (hereinafter called "BUYER"), and Seller(s), _____ (hereinafter called "SELLER"). The property shall be deeded in the name(s) of: TBD

THE ☐ BUYER ☐ SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐ public sewer system or to ☒ septic tank or to ☒ public water or to ☒ well system or to ☐ other _____

No personal property will convey as a part of this sale, except as described: all appliances including refrigerator as well as all window treatments.

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before 11/30 December 30, 2012, not later than 9:00 p.m. Time is of the essence. Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

5. **PURCHASE PRICE** shall be $ ~~295,000.00~~ 305,000.00
Three Hundred Five Thousand and no/100 ~~Two Hundred Ninety-Five Thousand and no/100~~ dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐ Cash; or ☒ Subject to Financing. Financing to be obtained by ☒ Conventional ☐ Seller ☐ VA ☐ FHA ☐ Other terms: _____

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 1,000.00 Buyer and Seller authorize Carolina One Real Estate as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐ Cash, ☒ Check, or ☐ Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer.

SD BUYER DC BUYER _____ SELLER _____ SELLER HAVE READ THIS PAGE

EXHIBIT 6/13/13 APH
Pltf 1
Cross
PENGAD 800-631-6989

THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 80,000 % loan (loan-to-value ratio) within 10 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 30 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☐will ☐will not be added to the mortgage. VA funding fee ☐will ☐will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller to Contribute $2,000 towards Buyers Closing Costs.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☒will ☐will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐Buyer or ☒Seller not to exceed $ 750.00. Allowance provided by Carolina One.

11. **EXPIRATION OF OFFER:** This offer from Buyer shall be withdrawn at 6 o'clock P M. on October 22, 2012 unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed 15 consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowner's association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS. The ☐ Buyer or the ☒ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-9-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

BUYER BUYER SELLER SELLER HAVE READ THIS PAGE

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statements:** (check one)

☐ Buyer and Seller agree that Seller will not complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-50, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by November 20, 2012, In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. Time is of the essence. If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL-100) from a licensed and bonded pest control operator, on or before November 30, 2012. Time is of the essence. If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) Repairs: The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment; or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 10 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) Residential Dwellings Built before 1978: (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this contract or by midnight on _____ (Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead In Your Home" for more information). This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☐ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) Megan's Law: The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) Disclaimer: The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guaranties or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. APPRAISED VALUE: (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

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proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty or warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. **COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at ☐ Buyer's ☒ Seller's expense.

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the Internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION:** According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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28. NON-RELIANCE CLAUSE: Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. CONTINGENCIES: These stipulations shall preempt printed matter herein (attach and reference addendum if necessary) See attached addendum A, B & C.

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek Date 20 OCT 2012 Time 1:45

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

BUYER: Doreen Cypess Date 10/20/12 Time 1:47

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

SELLER: Thomas Sweet Date 10/24/12 Time 11:45 AM

WITNESS: [illegible] Date 10/24/12 Time 11:45 AM

SELLER: Kathleen Sweet Date 10/24/12 Time 11:46 AM

WITNESS: Thomas Sweet Date 10/24/12 Time 11:46 AM

LISTING AGENT AND COMPANY Rick Willis The Group, LLC

SELLING AGENT AND COMPANY Susan Nicholson Carolina One Real Estate

SELLING AGENT IS PRESENTING THIS OFFER AS A ☒BUYER'S AGENT OR ☐SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT Susan Nicholson Carolina One Real Estate

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ADDENDUM A

© Carolina One Real Estate

In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property; ☐ business, ☐ premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 708 N Gateswalk Rd.

Tax Map # 128-00-00-000 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

1. Buyer total satisfaction on home inspection and cost 2. Seller to make Deed all liens and clear. Insurable and marketable title 3. Seller to have all utilities on this home for buyer to have a home inspection done. 4. Seller to provide any and all documents re septic tank. If septic tank inspection cannot be done in the event we, when seller agrees to have it pumped 5. Seller agrees to have the property subdivided to include in this sale the 2010 of house, driveway, side, and 5 acres. Any costs will be the responsibility of the Seller. Seller to pay recording of any and all documents of this process to include cost of the survey. Cost not to exceed $1,500.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek	Date 20 OCT 2012	Time 1:45 pm
WITNESS: [signature]	Date 10-20-12	Time 1:48 pm
BUYER: Wendy Cross	Date 10.20.12	Time 1:47 pm
WITNESS: [signature]	Date 10.20.12	Time 1:48 pm
SELLER: [signature]	Date 10/24/12	Time 11:48
WITNESS: [signature]	Date 10/24/12	Time 11:48
SELLER: [signature]	Date 10/24/12	Time 11:49
WITNESS: [signature]	Date 10/24/12	Time 11:49

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Form 390 PAGE 1 OF 1

Carolina One Real Estate - Trolley Road 1520 Old Trolley Road Summerville, SC 29485
Phone: 8434191015 Fax: 8432023169 Susan Nicholson

145 Brownlea

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ADDENDUM #2

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In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises -- commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 7811 E Bubbington Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29485

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

Also, remaining property that is subdivided from this sale shall have restrictions of NO MOBILE HOMES allowed, I. If seller has a current termite bond that seller will transfer to buyer at buyer's expense at closing. Buyer to receive all warranties & guarantees on appliances. 2. Seller to leave current satellite dish & receiver at no charge to buyer. 3. Seller to leave current 3 car fencing outdoor alarm & controller at no charge to buyer. 4. Seller to leave any and all materials used in construction of home to included but not limited to wood flooring material, fence material, etc. Buyer shall grant water & sewer easement to adjacent 2 acres ~~for~~ ff

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Butler	Date 20 OCT 2012	Time 1:45 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
BUYER: Deborah Greene	Date 10.20.12	Time 1:47 pm
WITNESS:	Date 10.20.12	Time 1:48 pm
SELLER:	Date 10/24/12	Time 11:48
WITNESS:	Date 10/24/12	Time 11:48
SELLER:	Date 10/24/12	Time 11:49
WITNESS:	Date 10/24/12	Time 11:49

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Carolina One Real Estate - Trolley Road 1520 Old Trolley Road Summerville, SC 29485
Phone: 8434191015 Fax: 8432023169 Susan Nicholson
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MS Browning

(E) Ex 5

Carolina One
Real Estate

November 3, 2012

Rick Willis, Realtor
The Group, LLC

RE: 788 E Butternut Inspection

Dear Rick,

My clients have performed their home inspection on your above listing. There are several things of great concern that they feel needs to be taken care of before they can purchase the home. Please see attached list of repair items. My clients will need to have the home inspected by a structural engineer due to the inspection and conversation the home inspector had with current owner about the construction of the home.

All items to be completed with letters from all contractors certifying work completed with their license numbers on letter. If seller is in agreement to the attached then my clients are prepared to move forward. I thank you in advance for your assistance with this and please feel free to contact me if you have any questions.

Sincerely,

Susan Nicholson

Susan Nicholson
Realtor
/snn

1530 Trolley Road, Summerville, SC 29485
843.871.9000 office 843. 437.3678 cell 843.202.3169

CRITICAL CONCERNS: 788 East Butternut

My clients have performed their home inspection on your above listing. Itemized below are several matters of great concern, which they feel need to be taken care of before they can purchase the home:

A. **FOUNDATION/STRUCTURAL: We don't believe the seller should be involved in this inspection. If the home is found to be structurally inadequate there is no need to move any further.**

1. Several piers not in use for support visible in crawl space. Consult certified licensed Structural Engineer further complete evaluation of foundation and pier support system for repairs if needed. A certified letter from Structural Engineer satisfied with the construction of this home and is safe and secured.
2. Bathroom floor tile cracked. Inspector could not determine cause. Have certified licensed Contractor to find the reason and repair or be replaced.
3. Front entry tile loose and cracked inspector could not determine cause. Have certified licensed Contractor to repair or be replaced.
4. Settlement of concrete patio and screen room concrete floor. Have certified licensed Structural Engineer Contractor to repair or be replaced.

B. **PLUMBING WATER DAMAGE: We're not sure how much of the damage description is implied. We feel certain that subfloor and sheetrock will need to be replaced, as well as the cause of the leak fixed, and finally fixtures and tile damaged to make the repairs replaced.**

1. Hallway bathroom tub faucets not properly fitted or sealed to tile. Have certified licensed Contractor to repair or be replaced.
2. Soft areas in drywall along hallway bathroom tub to wall. Have certified licensed Contractor to repair or be replaced.
3. Moisture damage floor front bedroom. Have certified licensed Contractor to repair or be replaced.
4. High moisture under hallway tub in crawl space to sub floor appears active leak. Have certified licensed plumbing Contractor to repair or be replaced.
5. Replace missing pipe straps and verify proper placement of pipes in crawlspace.
6. Hose valve at rear of home not properly secured. Have certified licensed Contractor to repair or be replaced.

C. **MOISTURE CONTROL: Plumbing and moisture are a close #2 to structural issues.**

1. Grade around home inadequate to drain water from home. Have certified licensed Contractor re-grade proper angle to move water away from home or add gutter and downspouts to redirect the flow of water away from the home. Clean ditches and culverts to permit the flow of water.

2. Wet areas in crawl space. Consult certified licensed contractor for further evaluation and repair if needed.
3. Vapor barrier in crawl space needs replacement. Have certified licensed Contractor to repair or be replaced.
4. Termite tubes visible in crawl space. Consult Pest Control Contractor for further complete evaluation.

D. ELECTRICAL:

1. Electrical wiring under panel box needs to be in conduit. Have certified licensed electrical Contractor to repair or be replaced.
2. Electrical panel circuits/ breakers not properly labeled. Have certified licensed electrical Contractor to repair or be replaced.
3. Knockouts missing in electrical panel box. Have certified licensed electrical Contractor to repair or be replaced.
4. Several loose electrical outlets and switches which need securing or open boxes. Have certified licensed Contractor to repair or be replaced.
5. Electrical outlets in room over garage bathroom not GFCI protected. Have certified licensed electrical Contractor to repair or be replaced.
6. Switch nonfunctional on whirlpool tub. Have certified licensed electrical Contractor to repair or be replaced.

E. SAFETY:

1. Due to several areas with thresholds not secured, window ledges throughout need to be secured as well as other misc. items unfinished my clients would like $2,000 credit to have Buyers contractor to repair.
2. Loose tile front of fireplace. Have certified licensed Contractor to repair or be replaced.
3. Laundry cabinet loose needs re-securing. Have certified licensed Contractor to repair or be replaced.
4. Master bathroom trim around whirlpool tub not completed. Have certified licensed Contractor to repair or be replaced.

F. UTILITY MAINTENANCE:

1. Septic system needs to be services. According to Knights Septic tank they last serviced this system in 2008. If your clients have other documentation showing any earlier service please forward for my clients to review.
2. HVAC serviced if proof of servicing cannot be provided during last 3 months (certified servicing)

G. MISC: These items we can take care of and don't really need consideration for purchase.

1. Mortar along soffit of home needs holes filled. Have certified licensed Contractor to repair or be replaced.
2. Mortar needs repairs around garage door. Have certified licensed Contractor to repair or be replaced.
3. Holes to crawl space for air unit plumbing needs to be properly filled and sealed. Have certified licensed Contractor to repair or be replaced.
4. Several interior doors need repair to function properly. Have certified licensed Contractor to repair or be replaced.
5. Some areas of missing insulation in floor. Have certified licensed Contractor to repair or be replaced.

(F)

FILED - RECORDED
IMC / ROD

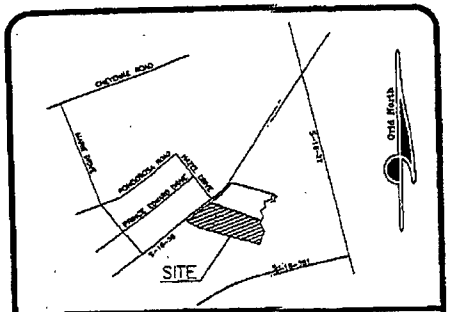
2012 NOV 20 PM 12:53

MARGARET L. BAILEY
DORCHESTER COUNTY, SC

L-195
#53

CURVE	LENGTH	RADIUS	DELTA ANGLE	TANGENT	CH. BEARING	CHORD
C1	342.64	1479.82	13°15'59"	172.09	N 43°36'12" E	341.88

LINE	LENGTH	BEARING
L1	9.61'	N 83°10'38" W
L2	83.92	S 18°55'59" W



LOCATION MAP
N.T.S.

NOTES:

1) AREA WAS DETERMINED BY THE COORDINATE METHOD.

2) THIS PROPERTY IS LOCATED IN FLOOD ZONE X.
SEE FIRM COMMUNITY (450068 0230 B)
REVISED: APRIL 15, 1994.

3) ALL PROPERTY CORNER ALONG C/L OF CREEK NOT LABELED ARE CALCULATED POINTS.

4) ANYTHING SHOWN OUTSIDE THE DEFINED BOUNDARY IS FOR DESCRIPTIVE PURPOSE ONLY.

5) THE PUBLIC RECORDS REFERENCED ON THIS PLAT ARE ONLY USED AND/OR NECESSARY TO THE ESTABLISHMENT OF THE BOUNDARY OF THIS PROPERTY. THEY ARE NOT AND DO NOT CONSTITUTE A TITLE SEARCH.

6) THIS PLAT HAS BEEN DONE FOR THE USE AND PURPOSE OF THE CLIENT ASCRIBED AND CONTRACTED WITH TO PERFORM THE REQUESTED SERVICES. ALL OTHER PARTIES ARE SUBSEQUENTLY PUT ON NOTICE AS TO THE LIMITED DEGREE OF RELIANCE UPON THIS PLAT BY THIRD PARTIES.

7) DISTANCE SHOWN HEREON ARE HORIZONTAL GROUND DISTANCES.

8) NO SUBSURFACE OR ENVIRONMENTAL INVESTIGATION OR SURVEYS WERE PERFORMED BY ASHLEY SURVEYING, INC. FOR THIS PLAT. THEREFORE THIS PLAT DOES NOT REFLECT THE EXISTENCE OR NONEXISTENCE OF WETLANDS, CONTAMINATION, OR OTHER CONDITIONS WHICH MAY AFFECT THIS PROPERTY.

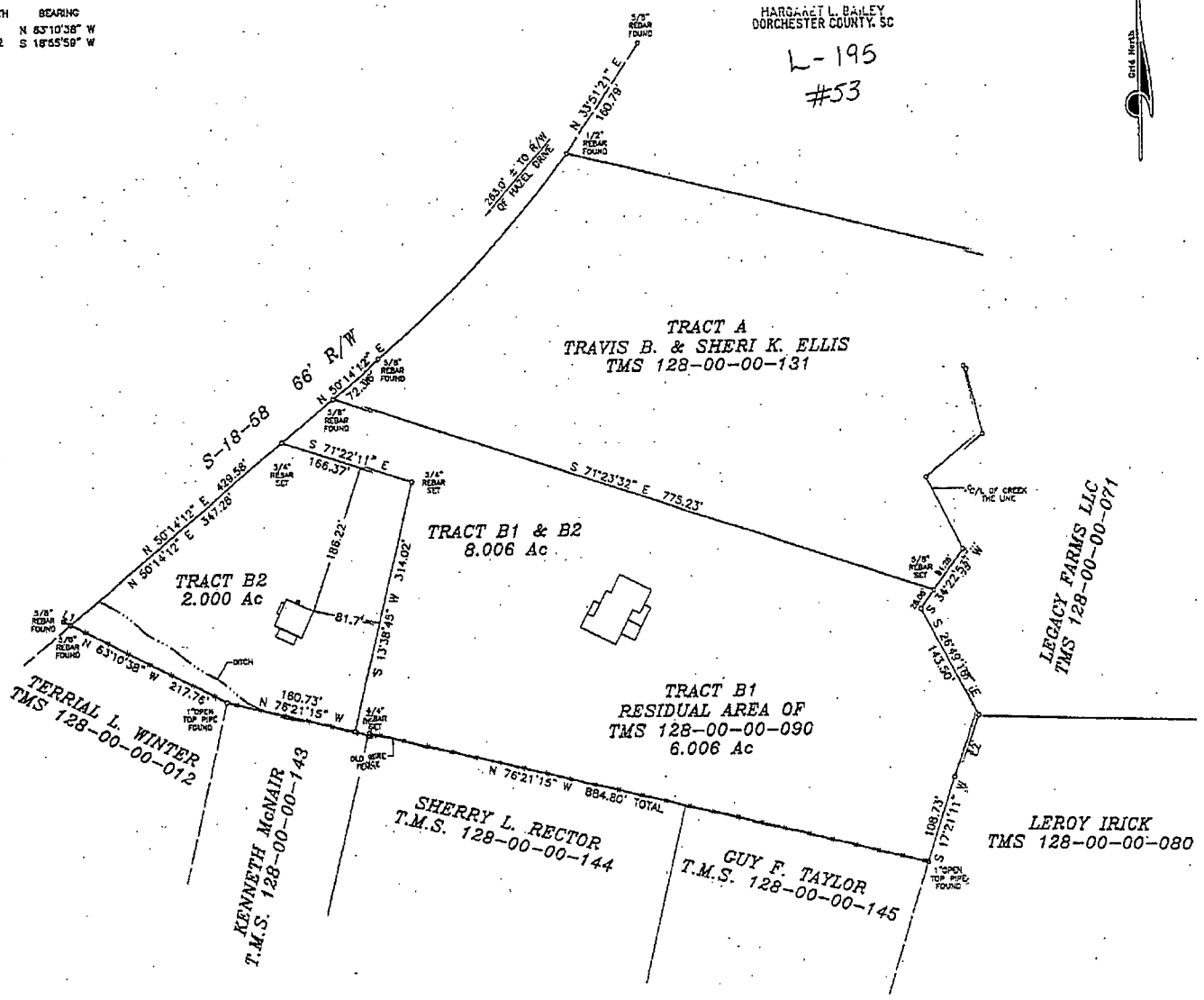
REFERENCES:

PLAT BY J. O'HEAR SANDERS, JR., DATED JANUARY 27, 1965
RECORDED IN PLAT BOOK 15, PAGE 148.

PLAT BY PAUL C. LAWSON, JR., DATED OCTOBER 9, 1995
RECORDED IN PLAT CABINET J, PAGE 24.

PLAT BY ANDREW C. GILLETTE, DATED MARCH 8, 1990
RECORDED IN PLAT BOOK G, PAGE 374.

DORCHESTER COUNTY PLANNING COMMISSION
[redacted] under Provision of ARTICLE
XVII 17.1.a Dorchester
County Zoning and Land Development Standards
NOV 16 2012 DATE
Minor Subdivision



"I HEREBY STATE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS S SURVEY AS SPECIFIED THEREIN:"

Paul C. Lawson

PAUL C. LAWSON, JR. S.C. REG. NO. 14191

SCALE : 1" = 100'

0' 100' 200'

OCTOBER 24, 2012

SOUTH CAROLINA REGISTERED LAND SURVEYOR 14191 PAUL C. LAWSON, JR.

SOUTH CAROLINA ASHLEY LAND SURVEYING, INC. No. C02179 CERTIFICATE OF AUTHORIZATION

SUBDIVISION PLAT CREATING TRACT B2
(OUT OF TMS 128-00-00-090) TARCT B
OWNED BY
THOMAS M. AND LORRAINE B. FERRO
TARACT B1 BEING CONVEYED TO
STEPHEN DUDEK & DOREEN CROSS
LOCATED NEAR JEDBURG
DORCHESTER COUNTY, SOUTH CAROLINA

ASHLEY
LAND SURVEYING, INC.
308 SANGAREE PARKWAY SUMMERVILLE, SC 29483
TELEPHONE: (843) 871-4416 FAX: (843) 871-9538
EMAIL: PLAWSON@ASHLEYES.COM WEB: WWW.ASHLEYES.COM

JOB NUMBER 2012-0826-002 PCL

241

(G)

PALMETTO Exterminators Inc.

Wood Infestation Report



788 E.Butternut Rd., Summerville, SC 29483

11/30/2012

PALMETTO Exterminators Inc.
www.palmettoexterminators.net

Protecting Your Health, Property and the Environment

Beaufort, SC	(843) 522-0020	Myrtle Beach, SC	(843) 215-2721
Charleston, SC	(843) 766-9701	Summerville, SC	(843) 873-7997
Columbia, SC	(803) 254-5833	Walterboro, SC	(843) 549-1531
Greenville, SC	(864) 233-3377	Charlotte, NC	(704) 882-0641

Toll Free 1-800-585-8019

11/30/2012

Subject Property: 788 E.Butternut Rd., Summerville, SC 29483

Dear Involved Parties:

We are enclosing three complete sets of the Wood Infestation Report (CL-100) and Package prepared by Palmetto Exterminators, Inc., which was requested in connection with the upcoming real estate transaction related to the above address. Palmetto's Wood Infestation Inspection Package includes (1) Palmetto's Invoice; (2) the Official South Carolina Wood Infestation Report; (3) a detailed Graph of the structure; and (4) color photographs of the structure. We have also enclosed a Copy of Clemson University's Bulletin 17 entitled "Understanding Your Wood Infestation Report" to serve as a guide to all parties to the subject real estate transaction.

We request that you please do the following: (1) Remit payment of the enclosed Invoice, if there is a balance due; (2) Have the Purchaser sign the extra copy of the Official SC Wood Infestation Report and return it to our office; and (3) Have the Purchaser complete the enclosed Records Update Request form so that we have current information on file.

Thank you for your cooperation and please feel free to call us if you have any questions regarding the enclosed information.

Sincerely,

Palmetto Exterminators, Inc.

Enclosures

Clemson University
Department of Pesticide Regulation

Understanding Your Wood Infestation Report

Winter 2013

A Guide for Home Buyers, Sellers, and Builders

Department of
Pesticide Regulation
511 Westinghouse Road
Pendleton, SC 29670
864.646.2150
www.clemson.edu/dpr

Administration

Dr. Joseph P. Krausz
Department Head, DPR

Dr. Mike Weyman
Assistant Department Head, DPR

Dr. Tim Drake
State Programs Manager, DPR

Bulletin 16

Exactly What is a Wood Infestation Report?

A Wood Infestation Report is a report of visible infestation and damage caused by insects (e.g., termites and beetles) and decay in accessible areas of the structure, with the inspection for decay fungi limited to the portion of the structure below the level of the first main floor. It informs the lending institution and buyer of the results of an inspection by a Pest Control Operator. As a protective measure, banks and lending institutions require that homes be inspected for damage from termites and other wood-destroying organisms before they will loan money on the home.

The Wood Infestation Report is a two-page document. The first page provides basic information about the inspection, such as the address of the property, and it answers such general questions as:

1) Where was the damage found?
2) What caused the damage?
3) Is there any visible evidence of infestation or previous treatment?
4) Are there any obstructions or inaccessible areas which cannot be inspected?
5) Were all damages reported?
6) Was a builder contacted to assess the damages?

The second page of the Wood Infestation Report provides space to comment on details regarding data disclosed on the first page of the report. It identifies special areas of concern, such as locations of previous treatment, and it identifies areas that are inaccessible for inspection.

Damage on a Wood Infestation Report is a Bad Thing, Right?

Homeowners are usually reluctant to admit to potential buyers that their homes are damaged by termites. For some people, the words "termite damage" bring cartoon visions of flying sawdust as tiny insects with large teeth gnaw their way through a home. Fortunately, this image is far from accurate. Even if a significant infestation of termites are present, only a small amount of additional damage will occur in the time it takes most people to come to a careful decision about treatment.



What if I Don't Have a "Clear Letter?"

Damage that has been properly repaired or judged to be not structurally significant should not interfere with the sale of the house. Just as most used cars have a dent here and there, most South Carolina homes that are over 10 years-old can reasonably be expected to have some wood-destroying organism damage.

Does a Wood Infestation Report Guarantee the Absence of Termites?

No. This report is simply a description of any visible activity or damage caused by termites or other wood-destroying organisms. The inspection is based on careful visual inspection of readily accessible areas and by sounding or probing. A qualified building expert should be consulted to determine the extent of damage and whether repairs are necessary. Most Pest Control Operators are not builders.

The Wood Infestation Report is sometimes inappropriately referred to as a "clearance letter" or a "termite letter." It is not a "clearance letter" in that it does not necessarily "clear" a structure. It is not a "termite letter" because it addresses more than just termites. As noted before, the Wood Infestation Report is used to report the presence or apparent absence of any wood-destroying organisms, or their damage at the time of the inspection. The inspection for fungi, decay damage, and excessive moisture conditions is limited to those parts of the structure that are below the level of the first main floor. This essentially means those parts of the wooden substructure that are visible and accessible from the crawlspace or basement. It does not include the window sills, soffits, or any portion of the structure higher than the level of the first main floor. It is worth repeating that insect damage **must be reported wherever it is visible.**

How Beneficial is a Wood Infestation Report, if It Doesn't Guarantee I Won't Have Termites?

The Wood Infestation Report is only one part of the evaluation of a structure. Buyers and lenders rely on the report to provide information about the treatment history and current condition of the home with respect to wood-destroying organisms and their damage. This information is an essential part of the negotiating process of buying a home. The Wood Infestation Report is not a guarantee that there are no wood-destroying organisms. It is a report of the apparent absence of wood-destroying organisms at the time of the inspection. Wood Infestation Reports provide valuable information for the sale of a home, and document its present condition for future reference. Wood Infestation Reports also highlight potential problem areas. Below are some other things that buyers should look for. These may or may not be reported on the Wood Infestation Report.

1. **Cracks in foundation walls.** It only takes a crack 1/32 of an inch wide to give termites and other wood-destroying organisms hidden access to a house.
2. **Leaking pipes and faucets.** Termites and other insects seek out moisture for survival. Leaking pipes can keep wood and soil continually damp and create a perfect home for termites.
3. **Wood debris around and under a house.** Pieces of scrap lumber or firewood kept next to a structure can help support a colony of termites.
4. **Sprinkler systems placed near the outside wall of a structure.** Excessive watering can speed the breakdown of pesticide treatments around foundation walls.
5. **Flower planters.** Planters allow hidden and direct access to unprotected siding and cracked stucco when built in direct contact with a house.
6. **Trellises and wooden fences.** If a trellis or wood fence touches soil and is in contact with a structure, it provides a direct link between the subterranean termites in the soil and wood in the structure.

Who's Responsible for Obtaining a Wood Infestation Report?

The Department of Pesticide Regulation recommends that the **purchaser** of the structure obtain the Wood Infestation Report. This places the service provided by the Pest Control Operator into proper perspective, i.e., to report all readily visible and accessible wood-destroying organisms and their damage. And, it ensures that the person with the strongest interest in full disclosure—the buyer—is also the person paying the Pest Control Operator for the report.

Isn't the Pest Control Operator Responsible for Reporting all Types of Structural Damage?

No. Often, a Pest Control Operator is the only individual who goes beneath the house or in the attic. Because of this, the Pest Control Operator is often considered responsible for inspecting and reporting anything that may be wrong with the structure. This is not true. Structural and electrical problems, plumbing, roof leaks, etc., are not normally their areas of expertise. Building Inspectors and contractors who are licensed or registered with the South Carolina Residential Home Builder's Commission are the appropriate people to call to inspect these problems.

Who is Responsible for Treating or Repairing the Damage Found?

When Pest Control Operators find wood-destroying organism activity or damage, they are required **BY LAW** to report it on the Wood Infestation Report. If they do not, the Department of Pesticide Regulation will take appropriate enforcement action. A Pest Control Operator may submit a bid to treat and stop such activity; however, it is up to the seller/buyer to obtain a contract to have the activity stopped. Often, a Pest Control Operator is not prepared to make damage repairs. A building expert would then be called in to make the repairs, and the repair invoice attached to the Wood Infestation report by the realtor/ closing attorney to show that the damage has been repaired.

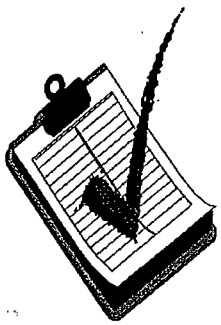
How Can I Close the Sale of the House if There Is Damage or Infestation on the Wood Infestation Report?

If damages are found, then a qualified builder should be consulted to determine if repairs are necessary. If they are, then the builder's invoice indicating that the repairs have been completed should be forwarded to the mortgage company along with the original Wood Infestation Report. It is neither necessary nor a good idea to have the PCO re-inspect after repairs have been made - he's already said once that he didn't have the expertise to evaluate repairs, after all. If an infestation is found then the PCO's invoice for the control of that infestation should be forwarded with the original Wood Infestation Report. It is appropriate for a PCO to issue a letter indicating "no infestation" if he has recently treated the house and issued a contract, even though the infestation may not have died out yet.

What Factors Should I Consider When Choosing a Pest Control Company?

Friends, neighbors, and co-workers are often excellent sources of referrals, or you can ask the company for references. The Department of Pesticide Regulation maintains enforcement histories of all firms, an while we cannot make a recommendation, you may review this part of the public record by visiting the Enforcement History Database on our website at **http://regfocus.clemson.edu/dpr/greenbook.htm.**

Consumer Checklist for Wood Infestation Report



___ Have all the questions been answered?

___ Are the answers consistent, and do they make sense?

___ Are all "yes" answers adequately explained on the back of the form?

___ Do the explanations make sense?

___ Was inspection by a qualified building expert recommended?

___ Did a building expert inspect and report?

___ Is the Wood Infestation Report consistent with other known information about the house?

Suspicious Items on Your Wood Infestation Report

1) **"Clear" letters:** Virtually all houses over 10-years-old have **some** damage. The law requires that the Wood Infestation Report be accurate. It does not require that it be "clear."
2) **Reports on older versions of the form:** The new version of the form (January, 1992) requires that decay damage, moisture conditions, and wood moisture content readings be evaluated and reported. (All Pest Control Operators should use a moisture probe to obtain these readings.)
3) **"Previous infestations" with no treatment:** Structural infestations do not normally "go away" on their own. Signs of infestation; therefore, suggest a continuing infestation until proven otherwise (e.g. treated). Old house borers, however, rarely re-infest structural timbers more than 25 to 30 years-old.
4) **"Previous infestations" with no damage:** The **evidence** of a previous infestation is usually the **damage** typical of that organism.
5) **Damage with no infestation identified or no location specified:** Likewise, if there is damage, then there has to be a **cause**. The organism which caused the damage must also be reported. The location of the damage must also be specified.
6) **Vague descriptions or specifications:** All "yes" answers **must** be described on the back of the form, including the extent and location of all damage and infestation. Widespread damage may, of course, be described as such.
7) **Inadequate explanation of inaccessible areas:** All inaccessible areas must be detailed on the reverse of the form. Almost all houses have some inaccessible areas. Reports that do not indicate inaccessible areas cover the entire structure. Detached structures, however, are not included in the report unless specifically noted.
8) **Unacceptable or excessive exceptions:** No report should exempt more than a small portion of the house except under very unusual circumstances. If significant areas cannot be inspected, then alternative arrangements should be made. This may be as simple as providing the technician with a key or a ladder, or it may require extensive modifications of the structure itself.
9) **Any "yes" without explanation**: **All** "yes" answers **require** explanation. Period.
10) **Any question not answered, where a choice is available:** Likewise, all questions must be answered.
11) **Damage not located or explained:** All damages must be identified, located, and evaluated. If the evaluation of the damage is beyond the ability of the Pest Control Operator, he may choose to indicate that a qualified building expert be consulted.
12) **Repairs indicated but "no damage" reported:** Unless every bit of damage was removed, some damage must still be present. If no further repairs are necessary, it must be reported.
12) **No moisture readings:** The Wood Infestation Report requires that decay damage, moisture conditions, and wood moisture content readings be evaluated and reported. Any Pest Control Operator not using a moisture meter is **not** following regulations.

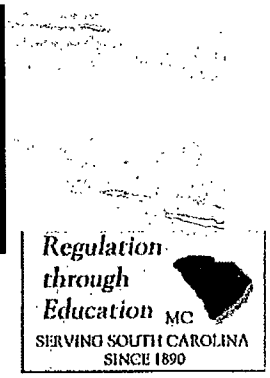
Whom Can I Contact?

Contact one of the following Regulatory Specialists nearest you for the Department of Pesticide Regulation. They will be happy to assist you with your questions and/or concerns.

Regulatory Specialists:

Beaufort	843.470.3655
Charleston	843.225.7062
Cherokee	864.489.8603
Columbia	803.736.7680
Conway	843.365.7641
Florence	843.667.1393
Greenville	864.271.2209
Ninety Six	864.543.3574

Prepared by Cam Lay
Edited by Tracy E. Outlaw



As part of Regulatory and Public Service Programs at Clemson University, the Department of Pesticide Regulation has been serving the State of South Carolina for over a century. DPR is the enforcement and investigative authority in the State for pesticide use, alleged pesticide misuse, substandard termite treatments, and the Wood Infestation Report required in most real estate transactions.

We register products for use in the State, license pesticide dealers and applicators, and perform quality assurance analyses of pesticide formulations. The Department also administers the State groundwater protection plan and Integrated Pest Management in Schools initiative, as well as the Federal Worker Protection Standard and Endangered Species programs.

INVOICE 664142 Dated 11/30/2012

Palmetto Exterminators Inc.
PO Box 30325
Charleston, SC 29417
843-873-7997
Fax:843-821-4003

TOM FERRO
788 E Butternut Rd
Summerville, SC 29483-8407

Acct # 89071
Lic#:
Purchase order

DESCRIPTION	INVOICE	DISCOUNT	TAX	QUANTITY	AMOUNT DUE
For service at: Tom Ferro 788 E Butternut Rd Summerville, SC 29483-8407					
Wood Infestation Report	$250.00	$0.00	$0.00		$250.00

Total Payment Amount: $0.00

PLEASE REMIT $250.00

Please return bottom portion with your payment for proper crediting of your account.

Palmetto Exterminators Inc.
PO Box 30325
Charleston, SC 29417

Acct # 89071
TOM FERRO

INVOICE 664142 Dated 11/30/2012
PLEASE REMIT $250.00

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

Amt. Paid _____

Check/Card # _____

Exp. Date _____

Credit Card Billing Address _____

_____

Print Name on Credit Card _____

OFFICIAL SOUTH CAROLINA WOOD INFESTATION REPORT

Date: 11/30/2012 File # 89071

THIS REPORT IS VALID FOR 30 DAYS ONLY. THIS REPORT IS NOT A GUARANTEE OR WARRANTY AGAINST FUTURE INFESTATION OR DAMAGE. IT IS RECOMMENDED BY THE DEPARTMENT OF PESTICIDE REGULATION THAT THE PURCHASER OF THE STRUCTURE, RATHER THAN THE SELLER, OBTAINS THIS WOOD INFESTATION REPORT.

This is to report that a qualified inspector employed by the below named firm has carefully inspected accessible areas, including attics and crawl spaces which permit entry, of the property located at the below address for termites, other wood-destroying organisms, and wood-destroying fungi. The inspection for the presence of wood-destroying fungi is only required to the level below the first main floor as defined in Section 27-1085 K(3)(f) of the Rules and Regulations for the Enforcement of the South Carolina Pesticide Control Act. This report specifically excludes hidden areas, areas not readily accessible, and the undersigned pest control operator disclaims that he has made any inspections of such hidden areas or of such areas not readily accessible.

The inspection described has been made on the basis of visible evidence, and special attention was given to those accessible areas which experience has shown to be particularly susceptible to attack by wood-destroying organisms. Probing and/or sounding of those areas and other visible and accessible wood members showing evidence of infestation was performed. This report is submitted without warranty, guarantee, or representation as to concealed evidence of infestation or damage or as to future infestation.

If there is evidence of active infestation or past infestation of termites and/or other wood-destroying organisms or fungi, it must be assumed that there is some damage to the building caused by this infestation; however, any visible damage to a wood member in accessible areas has been reported. The below-named firm's inspectors are not engineers or builders, and you may wish to call a qualified engineer, licensed contractor, or expert in the building trade to provide their opinion as to whether there is structural damage to this property.

LOCATION AND DESCRIPTION OF PROPERTY INSPECTED: 788 E.Butternut Rd., Summerville, SC 29483

Conventional Crawlspace/Residence

If any of the following items are marked YES, please carefully read the description on the reverse under REMARKS and see attached graph and photographs for more information.

Were any areas of the property obstructed or inaccessible? YES [X] NO [ ]

Infestation:

	Active Infestation YES	Active Infestation NO	Previous Infestation YES	Previous Infestation NO
1. There is visible evidence of:				
a. Subterranean termites	[X]	[ ]	[X]	[ ]
b. Drywood termites	[ ]	[X]	[ ]	[X]
c. Old house borers	[ ]	[X]	[ ]	[X]
d. Powder post beetles	[ ]	[X]	[ ]	[X]
e. Other wood-destroying insects	[ ]	[X]	[ ]	[X]

2. There is visible evidence of prior subterranean termite treatment YES [ ] NO [X]

3. There is evidence below the first main floor of the presence of

a. Active wood-destroying fungi (wood moisture content ≥ 28%) YES [ ] NO [X]

b. Non-active wood-destroying fungi (wood moisture content < 28%) YES [ ] NO [X]

4. There is evidence of the presence of excessive moisture conditions below the first main floor (20% or above wood moisture content, standing water, etc.) YES [ ] NO [X]

Wood moisture content of the wooden substructure ranged from 14 % to 18 %

Damage: Termite, other wood-destroying insects and fungi (Note: reporting of fungi damage to wood, commonly called water damage, decay or rot, is only required to the area below the first main floor of the structure as defined in 27-1085 K(3)(f) SCRR. However, the below-named firm retains the option of reporting damage regardless of where it is observed.)

At the time of our inspection, there were visibly damaged wooden members (e.g. insect damage to columns, sills, joists, plates, door jambs, headers, exterior stairs, porches, or fungi damage below the first main floor) YES [X] NO [ ]

Damage Observed: Damage must be disclosed even if repairs are deemed unnecessary. If visible evidence of active or previous infestation caused by any wood-destroying organism is reported, it must be assumed that some degree of damage is present. Said damage and location(s) must be described on the reverse side of this report. It is recommended that evaluation of damage and any corrections be performed by a licensed contractor or structural engineer approved by the purchaser.

Treatment: Check appropriate box

1. The property described was treated by us for the prevention or control of _____ (wood-destroying organism for which treatment was made) _____ (date of treatment) [ ]
2. An Official Waiver of Standards Form (subterranean termite treatment) has been issued. [NOTE: a signed copy must be attached to this report] [ ]
3. The property is covered by a warranty associated with the above treatment. The purchaser should contact the company regarding information required to transfer the warranty. The present treatment warranty will expire on _____ and may be renewed initially at _____ by the owner. [ ]
4. The treatment warranty expired on _____ and may be reinstated for $_____. [ ]
5. The property described has not been treated by us for any wood-destroying organisms. [X]

See other side of this report for additional conditions governing this report. CL-100 Approved by the South Carolina Pest Control Association, Inc., and the Division of Regulatory and Public Service Programs of Clemson University

FORM CL-100 Revised 7/12 (supersedes earlier versions)

PALMETTO EXTERMINATORS, INC.

CL-100 Graph

TCCL100G3-12

Tom Ferro
customer name

788 E. Butternut Rd
job address

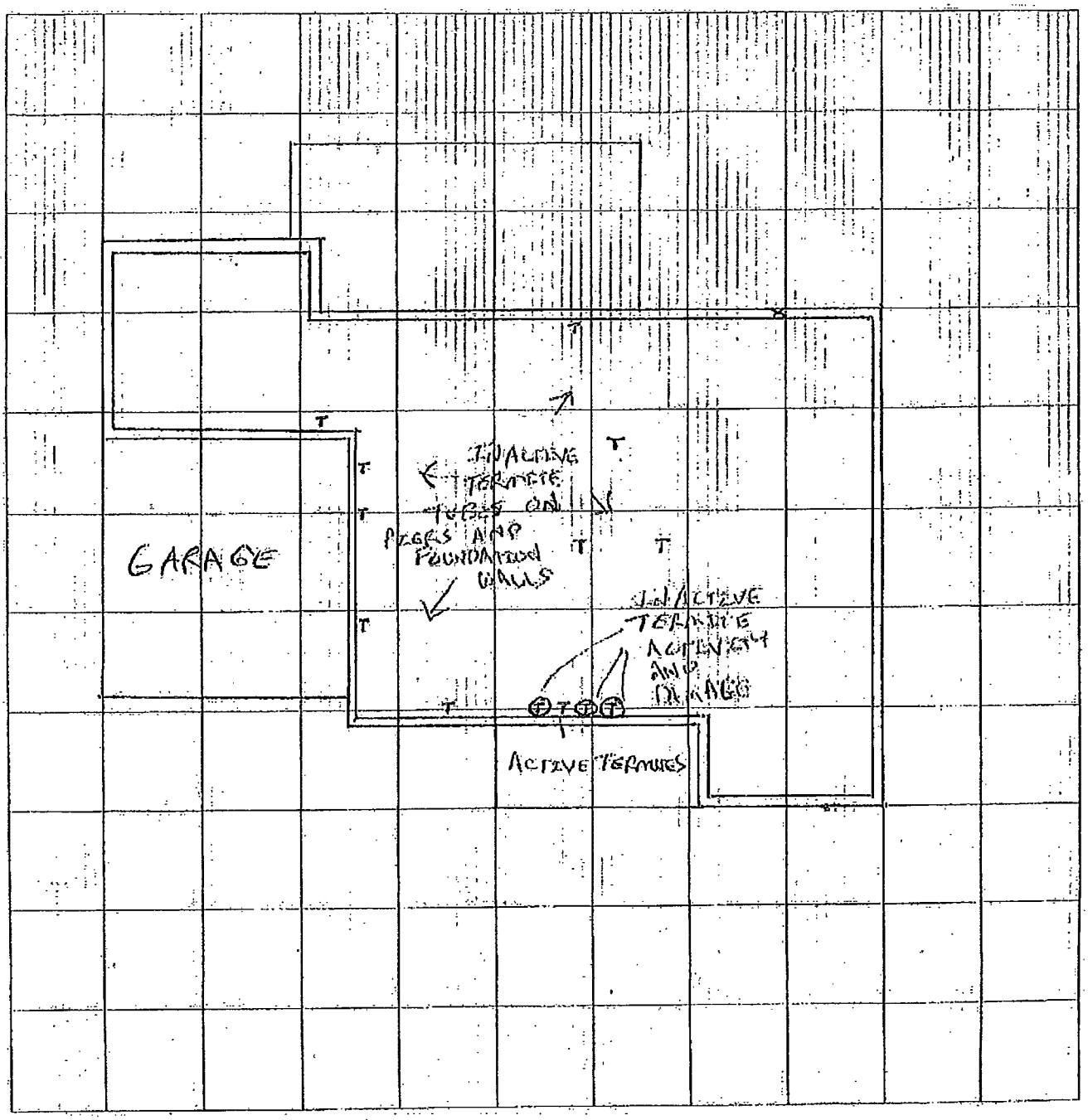
Summerville, SC, 29485
city, state, zip

Kyle Demery 11-29-12
inspector name (print) date

Sq.Ft. 3300 Appx. Ln.Ft 260 Wood Moisture Content 14-18 %

CONST. TYPE	FOUND. PIERS	FOUND./WALL	EXTERIOR
◯ Crawlspace	◯ Concrete	◯ Concrete	⊗ Brick
◯ Basement	◯ H. Block Open	◯ H. Block Open	◯ Stone
⊗ Slab & Crawls.	⊗ H. Block Cap.	⊗ H. Block Cap.	◯ Stucco
◯ Slab (type)	◯ Brick	◯ Sgle Brick	◯ H. Board
◯ Floating	◯ Stone	◯ Dble Brick	◯ Wood
⊗ Supported	◯ Wood	◯ Tple Brick	◯ Vinyl
◯ Monolithic	◯ Other	◯ Other	◯ Other

Wood/Ground Contact ◯ Yes ⊗ No — Slab air ducts ◯ Yes ⊗ No
Crawlspace Insulation ⊗ Yes ◯ No — Foam Insulation ◯ Yes ⊗ No
Vapor Barrier ⊗ Yes ◯ No — Foam/Ground Contact ◯ Yes ⊗ No


GARAGE
T
T
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788 E. BUTTERNUT RD 11-29-12

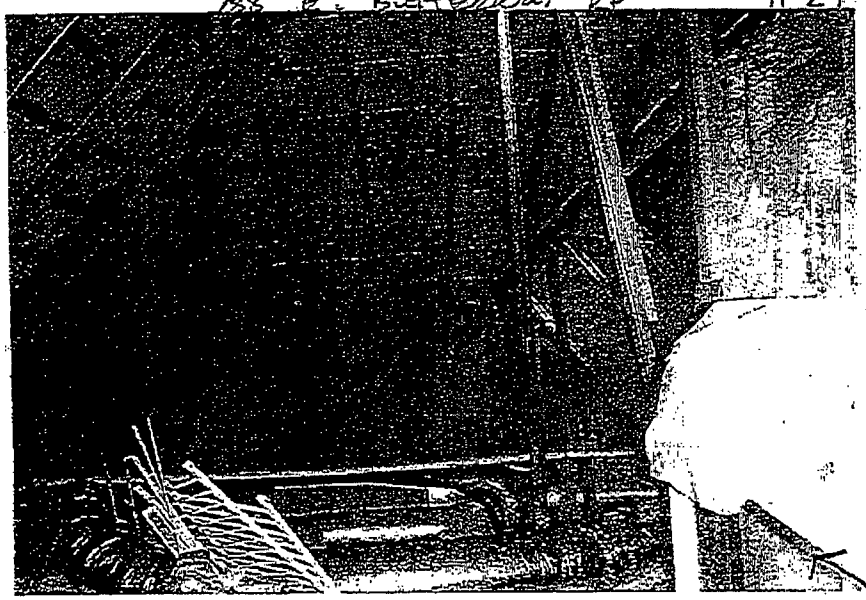
L BACK VIEW

L SIDE VIEW

L FRONT VIEW

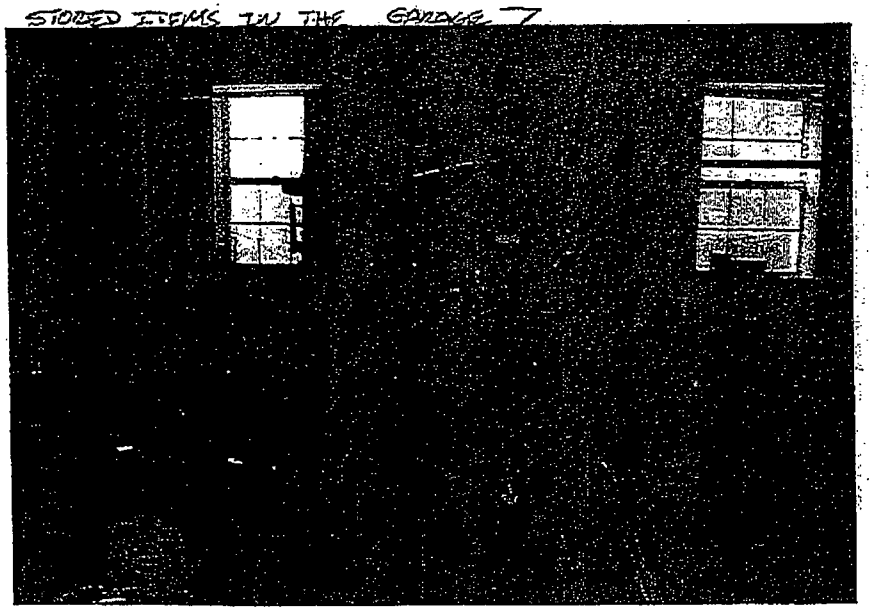
BACK VIEW

738 E. BUTTERNUT DR 11-29-12





STORED ITEMS IN THE GARAGE 7



ATTIC VIEW



787 F: BATTERY LD 11-29-12

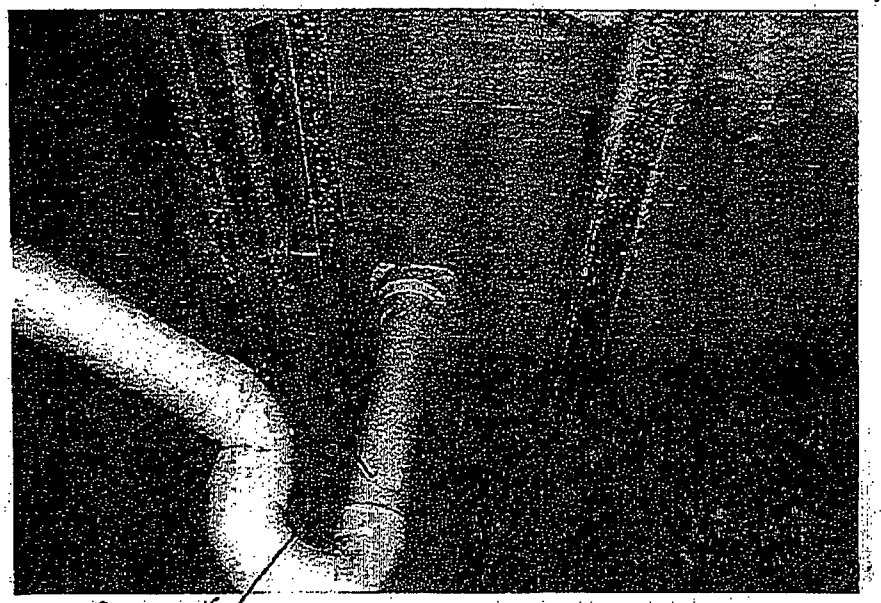
L(ACTIVE) TERMINAL TUBE

EJECTOR TERMINAL TUBES

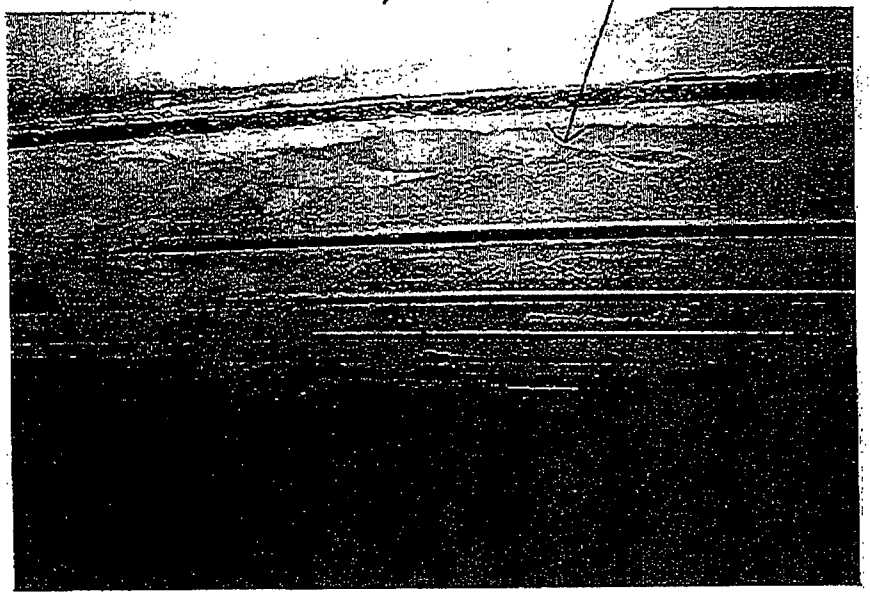
TERMINAL DAMAGE ON SURFACE

188 E. BUTTERNUT RD 11-29-12





CRAWLSPACE VIEW & INSULATION



PLUMBING



(H)

PALMETTO Exterminators Inc.

SNICHOLSON@CAROLINA ONE.com

JOB SHEET: WDO CONTROL

Date Scheduled: _____ Date Started: _____

NAME: Tom Ferro
ADDRESS: 789 E. Butternut Rd
PHONES: (home) _____ PRICE: _____
(work) _____ Ext. Ln. Ft. _____
JOB TYPE: Spot Treatment SIZE-Sq. Ft. _____
SALESMAN: _____ DATE SOLD: _____

FOR SUPERVISOR

ASSIGNED TO: _____
STARTED ☐ COMPLETED ☐
HOURS NEEDED: _____
DATE RESCHEDULED: _____

Min. Gallons must be calculated prior to job start. A copy of the agreement and graph must be attached.

JOB TYPE	TREAT FOR
Pretreat	Sub. Termites
Initial-Slab	Formosan Ter.
Initial-Crawl	Drywood Ter.
Fumigation	P. Post Beetles
Vapor Barrier	Old House Borers
Retreat	Fungus-Moisture
Complaint	
Special job	

MIN. GALS	AREA TREATED	Date Completed	Tech. Int.
	Main Crawl Voids - Piers, F. Wall		
	Main Slab		
12 GAL	Inside Perimeter, F. Wall	12-3-12	KD
	Garage Slab		
	Porch - Front		
	Porch - Rear		
	Side Porches/Decks		
	Outside Perimeter		
	Expansion Joints		
	Other (WGC, etc.)		
12GAL	TOTAL		

SPECIAL INSTRUCTIONS:

Trenched & Treated Front Section to Treat Active Termites. Treated Old Termite Scars on Sub-Floors

JOB DATA

Service Tech.	Date	Hours	Flow Meter Readings Before	After	Total Gals.	Type Chemical	%
1. Kyle D	12-3-12	.5			12 GAL	Bifen	.06%
2.					½ GAL	Bora-Care	50%
3.							
4.							
5.							

EXHIBIT 6/12/13 #404 PL 1 Cruse PENGAD 800-631-6989

12-3-12
Technician's Signature Date

Manager Approval

(I)

RECEIVED
12/03/12

A. FOUNDATION/STRUCTURAL: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
(Waiting on report from Structural Engineer)
1. Several piers not in use for support visible in crawl space. Consult certified licensed Structural Engineer further complete evaluation of foundation and pier support system for repairs is needed. A certified letter from Structural Engineer satisfied with the construction of this home and is safe and secured.
2. Bathroom floor tile cracked. Inspector could not determine cause. Have certified licensed Contractor to find the reason and repair or be replaced. Since time is of the essence, credit toward repair is acceptable.
3. Front entry tile loose and cracked inspector could not determine cause. Have certified licensed Contractor to repair or be replaced. Credit toward repair is acceptable.

B. PLUMBING WATER DAMAGE: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
1. Hallway bathroom two faucets not properly fixed or sealed to tile. Have certified licensed Contractor to repair or be replaced.
2. Soft areas in drywall along hallway bathroom tub to wall. Have certified licensed Contractor to repair or be replaced.
3. Moisture damage floor front bathroom. Have certified licensed Contractor to repair or be replaced.
4. High moisture under hallway tub in crawl space to sub floor opening under tub. Have certified licensed plumbing Contractor to repair or be replaced.

C. MOISTURE CONTROL: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
(Waiting on moisture report)
1. Grade around home inadequate to drain water from home. Have certified licensed Contractor re-grade proper angle to move water away from home or add gutter and downspouts to redirect the flow of water away from the home. Clean ditches and culverts to permit the flow of water. Credit toward repair is acceptable.
2. Wet areas in crawl space. Consult certified licensed contractor for further evaluation and repair if needed.

D. ELECTRICAL: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
1. Electrical wiring under panel box needs to be in conduit. Have certified licensed electrical Contractor to repair or be replaced.
2. Electrical panel circuits/ breakers not properly labeled. Have certified licensed electrical Contractor to repair or be replaced.
3. Knockouts missing in electrical panel box. Have certified licensed electrical Contractor to repair or be replaced.
4. Several loose electrical outlets and switches which need securing or open boxes. Have certified licensed Contractor to repair or be replaced.
5. Electrical outlets in room over garage bathroom not GFCI protected. Have certified licensed electrical contractor to repair or be replaced.
6. Switch nonfunctional on whirlpool tub. Have certified licensed electrical Contractor to repair or be replaced.

E. SAFETY: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
1. Due to several areas with thresholds not secured, window lamps throughout deck to be secured as well as other misc. items unfinished, my clients would like $2,000 credit to have Buyers contractor to repair.
2. Loose tile front of fireplace. Have certified licensed Contractor to repair or be replaced. Credit toward repair is acceptable.
3. Laundry cabinet hose needs re-securing. Have certified licensed Contractor to repair or be replaced. Credit toward repair is acceptable.

F. UTILITY MAINTENANCE: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
1. Septic system needs to be services. According to Knights Septic tank they last serviced this system in 2008. If your clients have other documentation showing any earlier service please forward for my clients to review. THIS NEEDS TO BE DONE PER OUR CONTRACT. Credit toward repair is acceptable.
2. HVAC serviced if proof of servicing cannot be provided during last 3 months (carried servicing). Credit toward repair is acceptable.

H. CL100: ____ (Seller) ____ (Seller) ____ (Buyer) ____ (Buyer)
1. Seller to have a licensed pest company to perform the CL100 with moisture readings. THIS NEEDS TO BE DONE PER OUR CONTRACT.

Recently Serviced, Will be getting report

(10)

50 squared
20 Amp

EXHIBIT
PENGAD 800-631-6989
6/12/13
PLF 6
Cross

(J)

ADDENDUM ___

© Carolina One Real Estate

In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property ☐ business, ☐ premises --- commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd

Tax Map# 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina

The undersigned Parties hereby agree as follows:

Due to unforseen circumstances in receiving the recorded plat for the Buyers mortgage company to proceed with Buyers mortgage, Seller and Buyer agree to extend the closing date on or before December 28, 2012

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement

IN WITNESS WHEREOF this Agreement has been duly executed by the parties

BUYER: Stephen Dudek	Date 12/04/2012	Time 12:00 PM
WITNESS:	Date	Time
BUYER: Doreen Grass	Date 12/03/12	Time 3:00 p.m.
WITNESS:	Date	Time
SELLER	Date	
WITNESS:	Date	
SELLER:	Date	
WITNESS:	Date	

EXHIBIT 6/12/13 pp #4 8 Cross

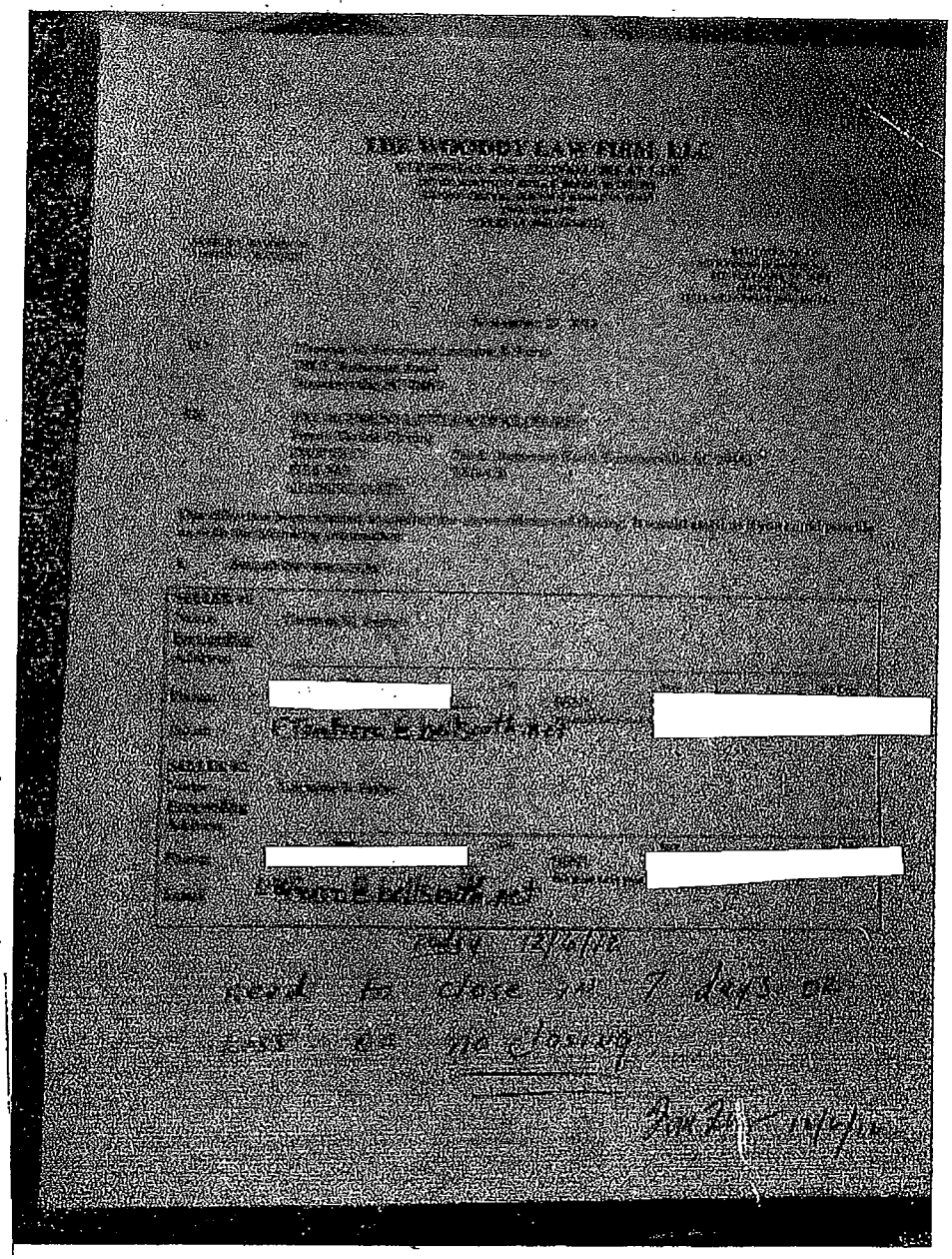
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Carolina One Real Estate • 1003 Bowman Road, Suite 100 • Mount Pleasant, SC 29464
Ph: 843-849-3015 Fax: 843-216-3763 Sean Medlin

(K)



(L)

First Federal

Date: December 12, 2012

Borrower: DOREEN C CROSS
Co-Borrower: STEPHEN C DUDEK
Address: 236 CADY DRIVE
SUMMERVILLE SC 29483

Loan # 7100323356
Subject Property: 788 E BUTTERNUT RD
SUMMERVILLE, SC 29483

First Federal is pleased to inform you that your loan application has been approved contingent upon the terms and conditions listed below:

TERMS:

Type of Loan: CONV FIXED
Loan Amount: $242,400
Monthly Payment excluding escrow: $1,122.60
Interest Rate Lock Expiration Date: 02/03/13

Interest Rate: 3.750%
Term in Months: 360

TITLE TO PROPERTY:

The listed Mortgagor(s) will take title to the property as follows:

DOREEN C CROSS
STEPHEN C DUDEK

REQUIRED INSURANCE:

Hazard Insurance Coverage: Full replacement cost or 100% of the insurable value.
Flood Insurance Coverage, if required: Full replacement cost or 100% of the insurable value.

Flood Insurance required: NO **Flood Zone:** X

Contact your insurance company and apply for your insurance immediately. Fax a copy of the policy declaration page which lists the amount and type of coverage as well as the deductible. The name of the insured should read the same as the title to the property. The mortgagee clause should also be listed as follows:

Loan Number: 7100323356
First Federal Bank, its successors and/or assigns - ISAOA
As their interest may appear - ATIMA
P O Box 5942
Troy, MI 48007-5942

CONDITIONS:

Please provide all the conditions below within 3 business days of receipt of this approval letter.

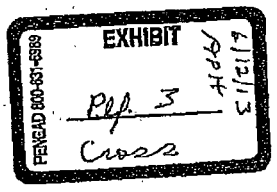
1. This commitment is being issued subject to the receipt and review of an appraisal prepared for and ordered by First Federal. This appraisal *must* have a value after review of no less than $303,000. **Should the appraisal review discover any adverse conditions that may affect the property to be used as collateral, the terms and conditions of this loan request may change subject to the aforementioned appraisal review.**
2. The attached flood certification must be signed, dated and returned by fax or mail.
3. First Federal to request IRS transcripts for the last 2 years - Receipt & review of these transcripts.
4. FIRST FEDERAL TO OBTAINA VERBAL VERIFICATION OF EMPLOYMENT PRIOIR TO CLOSING.
5. PLEASE PROVIDE ALL FIRST FEDERAL DISCLOSURES SIGNED AND DATED.
6. LEGIBLE COPY OF THE SALES CONTRACT ALL ADDENDUMS.
7.
8.
9.
10.

CLOSING ATTORNEY:

Your attorney will be contacted upon receipt and review of above conditions. At that time, you will be notified to schedule your closing.

Thank you for choosing First Federal as your lender. If you have any questions prior to closing, please feel free to contact me.

MADDY MCWHIRTER
mmcwhirter@firstfederal.com
Telephone: 843-529-5659
Fax: 843-737-7251
Toll Free: 800-768-3248
P. O. Box 118068
Charleston, SC 29423-8068



APPRVL
Rev9/12

(M)

RELEASE OF AGREEMENT TO BUY AND SELL REAL ESTATE

This release entered into this 16th day of December, 2012, between the undersigned Buyer(s), the undersigned Seller(s), and the undersigned Brokers for that certain Agreement to Buy and Sell Real Estate dated 10/20/12, covering the following property located in:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut

Tax Map 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

WITNESSETH: That each of the parties hereto in consideration of each of the parties releasing all of the other parties from the aforesaid Agreement to Buy and Sell Real Estate, do hereby release each of the other parties and Escrow Agent to said Agreement from any and all claims, actions or demands whatsoever which each of the parties hereto may have up to this date against any of the other parties hereto by reason of said Agreement to Buy and Sell Real Estate.

It is the intention of this Agreement that any responsibility or obligations or rights by virtue of said Agreement are by this release declared null and void and of no further force or effect.

The Escrow Agent holding the deposit under the terms of said Agreement is hereby directed and instructed forthwith to disburse said deposit held in escrow in the following manner:

$ 1,000.00 To Stephen Dudek, Doreen Cross

$ _____ To _____

$ _____ To _____

_____ To _____

Other _____

IT IS FURTHER understood and agreed that this Release is executed by the undersigned voluntarily and is not based on any representations made by any other party hereto or by the Escrow Agent.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Buyer Stephen Dudek — Date

Buyer Doreen Cross — Date

BROKER/LISTING Rick Willis/The Group, Llc — 12-16-12 Date

BROKER/SELLING Carolina One — Date

Seller Thomas Ferro — 12/16/12 Date

Seller Lorraine Ferro — 12/16/12 Date

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The Group, LLC. 2060 Skyhawk Ct. Mt. Pleasant, SC 29466
Phone: 843-971-4002 Fax: 888-803-1570 Charlene Willis

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868-1

(N)

AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

1. **PARTIES:** This legally binding Agreement entered into on December 16, 2012 between, Buyer(s), Molly M. Morphew, (hereinafter called "**BUYER**"), and Seller(s), Thomas Ferro, Lorraine Ferro, (hereinafter called "**SELLER**"). The property shall be deeded in the name(s) of: Molly M. Morphew

THE ☐BUYER ☐SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut (6 Acres) Tract B-1

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐public sewer system or to ☒septic tank or to ☒public water or to ☒well system or to ☐other _____

No personal property will convey as a part of this sale, except as described: Elec Cooktop, Dishwasher, Waher/Dryer Connections, Garbage Disposal, Satellite Dish

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before 1/30/13, 1/30/13, not later than 9:00 p.m. **Time is of the essence.** Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

5. **PURCHASE PRICE** shall be $ 280,000.00
Two Hundred Eighty Thousand dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐Cash; or ☒Subject to Financing. Financing to be obtained by ☒Conventional ☐Seller ☐VA ☐FHA ☐Other terms: N/A

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 5,000.00 Pd. To Seller's Mr

~~Buyer and Seller authorize _____, as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐Cash, ☒Check or ☐Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina Law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer.~~

[MM] BUYER [____] BUYER [MM] SELLER [MM] SELLER HAVE READ THIS PAGE

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THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 96.500 % loan (loan-to-value ratio) within 5 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 30 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☒ will ☐ will not be added to the mortgage. VA funding fee ☐ will ☒ will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller agrees to pay up to $7,000 towards buyers closing costs, prepaids, allowables and non allowables at closing.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☐ will ☒ will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐ Buyer or ☐ Seller not to exceed $ N/A.

11. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at N/A o'clock N/A M. on N/A unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed N/A consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowner's association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. **BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.** The ☐ Buyer or the ☐ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statement:** (check one)

☐ Buyer and Seller agree that Seller will **not** complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-30, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by N/A, N/A. In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. **Time is of the essence.** If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL100) from a licensed and bonded pest control operator, on or before At Closing, . **Time is of the essence.** If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

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remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) **Repairs**: The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment, or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 19 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) **Residential Dwellings Built before 1978**: (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this contract or by midnight on _____, _____. **(Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information)**. This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☒ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) **Megan's Law:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) **Disclaimer:** The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guarantee or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. **APPRAISED VALUE:** (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty on warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. ~~**COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at ☐ Buyer's ☐ Seller's expense.~~

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION: According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.**

[ ] BUYER [ ] BUYER [ ] SELLER [ ] SELLER HAVE READ THIS PAGE

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28. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See Addendum "A"

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Molly M Morphew Date 12/16/12 Time _____
Molly M. Morphew

WITNESS: _____ Date _____ Time _____

BUYER: _____ Date _____ Time _____

WITNESS: _____ Date _____ Time _____

SELLER: Thomas Ferro Date 12/16/12 Time _____
Thomas Ferro

WITNESS: _____ Date _____ Time _____

SELLER: Lorraine Ferro Date 12/16/12 Time _____
Lorraine Ferro

WITNESS: _____ Date _____ Time _____

LISTING AGENT AND COMPANY The Group, Llc

SELLING AGENT AND COMPANY The Group, Llc

SELLING AGENT IS PRESENTING THIS OFFER AS A ☐BUYER'S AGENT OR ☐SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT _____

The foregoing form is available for use by the entire real estate industry. The use of the form is not intended to identify the user as a REALTOR®. REALTOR® is the registered collective membership mark which may be used only by real estate licensees who are members of the NATIONAL ASSOCIATION OF REALTORS® and who subscribe to its Code of Ethics. Expressly prohibited is the duplication or reproduction of such form or the use of the name "South Carolina Association of REALTORS®" in connection with any written form without the prior written consent of the South Carolina Association of REALTORS®. The foregoing form may not be edited, revised, or changed without the prior written consent of the South Carolina Association of REALTORS®.

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ADDENDUM A

In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut (6 Acres)

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

Property is being purchased in "As Is" condition. This contract is a "back up" contract. It is contingent upon an existing contract of sale to receive a signed release so that this contract becomes the primary contract. In the event the existing contract does not receive a signed release this agreement may be declared null and void by either party on or before December 30, 2012 with written notice and deposit money returned to purchaser. Attached plat shows property being purchased. Seller agrees to pay 6% of the sales price at closing to The Group, Llc as compensation for this transaction.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Molly M. Morphew	Date 12/16/12	Time	
WITNESS:	Date	Time	
BUYER:	Date	Time	
WITNESS:	Date	Time	
SELLER: Thomas Ferro	Date 12/16/12	Time	
WITNESS:	Date	Time	
SELLER: Lorraine Ferro	Date 12/16/12	Time	
WITNESS:	Date	Time	

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The Group, LLC. 2060 Skyhawk Ct, Mt. Pleasant, SC 29466
Phone: 843-971-4002 Fax: 888-803-1570 Charlene Willis

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788 E. Buttom

STATE OF SOUTH CAROLINA
RESIDENTIAL PROPERTY CONDITION DISCLOSURE STATEMENT

INSTRUCTIONS TO PROPERTY OWNERS

1. South Carolina Code of Laws Title 27 Chapter 50 Article 1 requires that beginning January 1, 2003, an owner of residential real estate (single-family homes and buildings with up to four dwelling units) shall provide to a purchaser this property condition disclosure statement which must be completed prior to signing a contract of sale. This disclosure statement must be provided in connection with the sale, exchange, option and sale under a lease with an option to purchase. This disclosure statement is not required for some transactions, including the first sale of a dwelling which has never been inhabited. A complete list of exemptions may be found in Section 27-50-30.

2. You must check one of the boxes for each of the 24 questions on pages 2 and 3 of this form.

   a. If you check "Yes" for any question, you must explain the problem or attach a descriptive report from an engineer, contractor, pest control operator or other expert or public agency. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in the report so long as you were not grossly negligent in obtaining or transmitting the information.

   b. If you check "No" for any question, you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem, you may be liable for making an intentional misrepresentation.

   c. If you check "No Representation" for any question, you are stating that you are making no representation regarding the conditions or characteristics of the property, but you may have a duty to disclose even if you know or should have known of them. Please consult with an attorney to determine any potential liability you may have for checking this answer.

   d. If you check "Yes" or "No" for any question and subsequently something happens to the property to render your statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly provide the purchaser a corrected statement or you may correct the problem.

3. If you are assisted in the sale of your property by a licensed real estate broker or salesperson, you remain solely responsible for completing and delivering this statement to the purchaser. The broker or salesperson must disclose any material facts about your property which he/she knows or reasonably should know, regardless of your responses on this statement. You are to complete this form yourself and answer all questions truthfully and as fully as possible. By signing below you acknowledge that the failure to disclose known material information about the property may result in liability.

4. You must provide the completed statement to the purchaser prior to the time you and the purchaser sign a contract to purchase your property or as otherwise agreed to in the contract. You should provide the purchaser a copy of this statement containing your signature and keep a copy signed by the purchaser for your records.

Initials: _____ Seller Date _____ Buyer _____ Date 12/6/12

Rev. 1/04

AS SELLER OF THE PROPERTY HEREIN IDENTIFIED, DO YOU HAVE KNOWLEDGE OF ANY PROBLEM, MALFUNCTION OR DEFECT WITH ANY OF THE FOLLOWING:

		Yes	No	No Representation
1.	Foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens), doors, ceilings, interior and exterior walls, attached garage, patio, deck or other structural components including any modifications? a. Siding: masonry ___ wood ___ composition/hardwood ___ vinyl ___ synthetic stucco ___ b. Approximate age of structure ___ Brick monolithic pour Green house	☐	☑	☐
2.	Roof (leakage or other problem)? a. Approximate age of roof covering ___ steel Roof Tiles	☐	☑	☐
3.	Water seepage, leakage, dampness or standing water or water intrusion from any source in any area of the structure?	☐	☑	☐
4.	Electrical system (outlets, wiring, panel, switches, fixtures, etc)?	☑	☑	☐
5.	Plumbing system (pipes, fixtures, water heater, etc.)?	☑	☑	☐
6.	Heating and/or air conditioning? a. Heat source: furnace ___ heat pump ___ baseboard ___ b. Cooling source: central ___ wall/window unit(s) ___ c. Fuel source: electricity ___ natural gas ___ propane ___ oil ___ d. Approximate age of heating unit ___ /cooling unit ___	☐	☑	☐
7.	Water supply (including water quality, quantity and water pressure)? a. water supply is: city/county ✓ community system ___ private well ✓ b. water pipes are: copper ___ galvanized ___ PVC/CPVC ✓ poly/plastic ___	☐	☑	☐
8.	Septic system? a. Type system: septic tank ✓ community system ___ connected to city/county system ___ city/county system available ___ b. Does the system require a pump? Yes ___ No ✓ c. Has the septic system been serviced/pumped during your ownership?	☐	☑	☐
9.	Appliances (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc)?	☑	☑	☐
10.	Present infestation, or damage WHICH HAS NOT BEEN REPAIRED from past infestation of wood destroying insects or organisms? a. Is there a transferable termite bond? Yes ___ No ✓	☐	☑	☐
11.	Drainage, grading or stability of soil or retaining structure?	☑	☑	☐
12.	Other built-in systems and fixtures? central vacuum ___ pool ___ hot tub ___ spa ___ attic fan ✓ exhaust fan ___ ceiling fan ✓ sump pump ___ irrigation system ✓ cable tv wiring or satellite dish ✓ security system ___ or other systems ___	☐	☑	☐

Initials: Seller ___ Date ___ Buyer ___ Date 12/16/12

REGARDING THE PROPERTY HEREIN IDENTIFIED, INCLUDING THE LOT, OTHER IMPROVEMENTS, AND FIXTURES LOCATED THEREON, DO YOU HAVE KNOWLEDGE OF ANY:

	Yes*	No	No Representation
13. Room additions or other structural changes?	☐	☑	☐
14. Environmental hazards (substances, materials or products) including: asbestos, formaldehyde, radon gas, methane gas, lead-based paint, underground storage tank, toxic mold or other hazardous or toxic material (whether buried or covered), contaminated soil or water, or other environmental contamination?	☐	☑	☐
15. Nuisances (noise, odor, smoke, etc.) affecting the property?	☐	☑	☐
16. Previous damage caused by fire?	☐	☑	☐
17. Violations or variances of building codes or zoning ordinances?	☐	☑	☐
18. Restrictions to property use? (covenants or deed)	☐	☑	☐
19. Utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?	☐	☑	☐
20. Lawsuits, foreclosures, bankruptcy, tenancies, judgments, tax or other liens, proposed assessments or notice from any governmental agency that could affect title to the property?	☐	☑	☐
21. Owners' association fees or "common area" expenses or assessments?	☐	☑	☐
22. Flood hazards or that the property is in a federally-designated flood plain?	☐	☑	☐
23. Rental, rental management, vacation rental or other lease contracts in place on the property at the time of closing?	☐	☑	☐
24. Any outstanding charges owed by the tenant for gas, electric, water, sewerage, or garbage services provided to the property?	☐	☑	☐

***IF YOU ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS, PLEASE USE THE FOLLOWING SPACE FOR YOUR EXPLANATION AND ATTACH ANY RELEVANT PROFESSIONAL REPORTS.**

Initials: _____ Seller _____ Date _____ Buyer _____ Date 12/16/12

Rev. [illegible]

"Yes" explanations continued:

Owner(s) Acknowledgement

Property Address: 788 E Butternut Rd Summerville SC 29483

The property is currently: owner-occupied ✓ leased ___ or an estate ___ in foreclosure ___
vacant ___ (If vacant, how long?) ___

Owner's Name(s): Tom Ford

Owner(s) acknowledge has/have examined this affidavit before signing and that all information is true and correct as of the date signed.

Owner Signature: [signature] Date: 12-16-12

Owner Signature: [signature] Date: 12/16/12

Purchaser(s) Acknowledgement

Purchaser(s) acknowledge receipt of a copy of this disclosure statement; that he/she has examined it before signing; that he/she understands that this is not a warranty by owner or owner's agent; that it is not a substitute for any inspections he/she may wish to obtain; and that the representations are made by the owner and not the owner's agent(s) or subagent(s). Purchaser(s) are encouraged to obtain his/her own inspection by a licensed home inspector or other professional.

Purchaser Signature: [signature] Date: 12/16/12

Purchaser Signature: ___ Date: ___

(This form is approved by the South Carolina Real Estate Commission.)

DUAL AGENCY AGREEMENT

THIS DOCUMENT IS A MODIFICATION TO THE SELLER'S LISTING AGREEMENT AND THE BUYER'S AGENCY REPRESENTATION AGREEMENT.

This Dual Agency Agreement is entered into between Molly M. Morphew, Buyer, and The Group, Llc Real Estate Company, Thomas Ferro, Lorraine Ferro, Seller, and The Group, Llc Real Estate Company for Property located at 788 E. Butternut (6 Acres), Summerville, 29483.

The term "Broker" includes the real estate firm, broker-in-charge and associated licensees.

1. **DUAL AGENCY:** Seller and Buyer agree that Broker shall serve as both Seller's agent and Buyer's agent in the sale of Seller's property to Buyer in accordance with Section 40-57-137(M)(1) of the South Carolina Code of Laws, which provides in part that "...In acting as a dual agent, a licensee represents clients whose interest may be adverse and that agency duties are limited." The parties agree that without permission from the party about whom the information pertains, Broker shall not disclose to the other party the following information:
   a) That a party may agree to a price, terms, or any conditions of sale other than those offered;
   b) The motivation of a party for engaging in the transaction, unless disclosure is otherwise provided by state law or regulation; and
   c) Any information about a party which that party has identified as confidential unless disclosure is otherwise required by state law or regulation.

2. **BROKER'S DUAL AGENCY ROLE:** Because Broker is serving as Agent for both Seller and Buyer in this transaction, Broker shall make every reasonable effort to represent Seller and Buyer in a balanced and fair manner. Broker shall also make every reasonable effort to encourage and effect communication and negotiation between Seller and Buyer. Seller and Buyer understand and acknowledge that:
   a) Prior to the time this agreement was entered into, Broker acted as the exclusive Agent of Seller and acted as exclusive Agent of Buyer.
   b) In those separate roles Broker may have obtained information which, if disclosed, could harm the bargaining position of the party providing such information to Broker.
   c) Broker is required by law to disclose to Seller and Buyer any known material facts concerning the property or the transaction. Seller and Buyer agree that Broker shall not be liable to either party for (1) disclosing known material facts concerning the property required by law to be disclosed and (2) refusing or failing to disclose other information the law does not require to be disclosed which could harm or compromise one party's bargaining position but could benefit the other party.

3. **SELLER'S AND BUYER'S ROLES:** Because of Broker's Dual Agency relationship, Seller and Buyer understand and acknowledge that:
   a) Seller and Buyer have determined that the advantages of entering into this Dual Agency Agreement, with Broker acting as Agent for both, outweigh the disadvantages.
   b) Seller and Buyer each have the responsibility of making their own decisions as to what terms are to be included in any agreement to buy and sell between the Seller and Buyer.
   c) Seller and Buyer are fully aware of, and understand, the implications and consequences of Broker's Dual Agency role as expressed herein to provide balanced and fair representation of Seller and Buyer and to encourage communication between Seller and Buyer rather than acting as an advocate or exclusive agent.
   d) Seller and Buyer agree to indemnify and hold Broker harmless against all claims, damages, losses, expenses, or liabilities, other than violations of the South Carolina Real Estate License Law and intentional wrongful acts, arising from Broker's role as a Dual Agent.
   e) Seller and Buyer may seek independent legal counsel to assist them with the negotiation and preparation of a buy and sell agreement or with any matter relating to the transaction which is the subject matter of a buy and sell agreement.

4. **PREVIOUS AGENCY AGREEMENTS:** The parties agree that this Agreement shall modify any agency agreements previously entered into by Seller and Broker or between Buyer and Broker. If those previous agency agreements contain expiration or termination dates prior to the termination date for this Agreement as set forth below, the expiration or termination dates of the previous agency agreements are hereby extended until the termination of this Agreement. If this Agreement terminates prior to the termination date of any previous agency agreement, the previous agency agreement shall remain in force and effect in accordance with its terms. In any areas where this Agreement contradicts or conflicts with those agency agreements, this Dual Agency Agreement shall control.

5. **DURATION OF DUAL AGENCY:** The term of this Agreement shall commence when this document is executed by Seller, Buyer and Broker, and unless extended by written agreement of all parties, shall terminate upon the closing of the sale of the property.

6. **FAIR HOUSING:** The Broker shall conduct all brokerage activities in regard to this Agreement without regard to race, color, religion, sex, handicap, familial status, or national origin and shall conduct business in full compliance with local, state, and federal fair housing laws.

7. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the execution of this dual agency agreement or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

8. **COUNTERPARTS:** This Agreement may be executed in two or more counterparts, each of which shall be deemed original, but all of which together shall constitute one and the same instrument, and in pleading or proving any provision of this Agreement it shall not be necessary to produce more than one such counterpart.

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A SIGNED COPY OF THIS DUAL AGENCY AGREEMENT.

Seller Thomas Ferro — Date 12/16 — Time

Seller Lorraine Ferro — Date 12/16/12 — Time

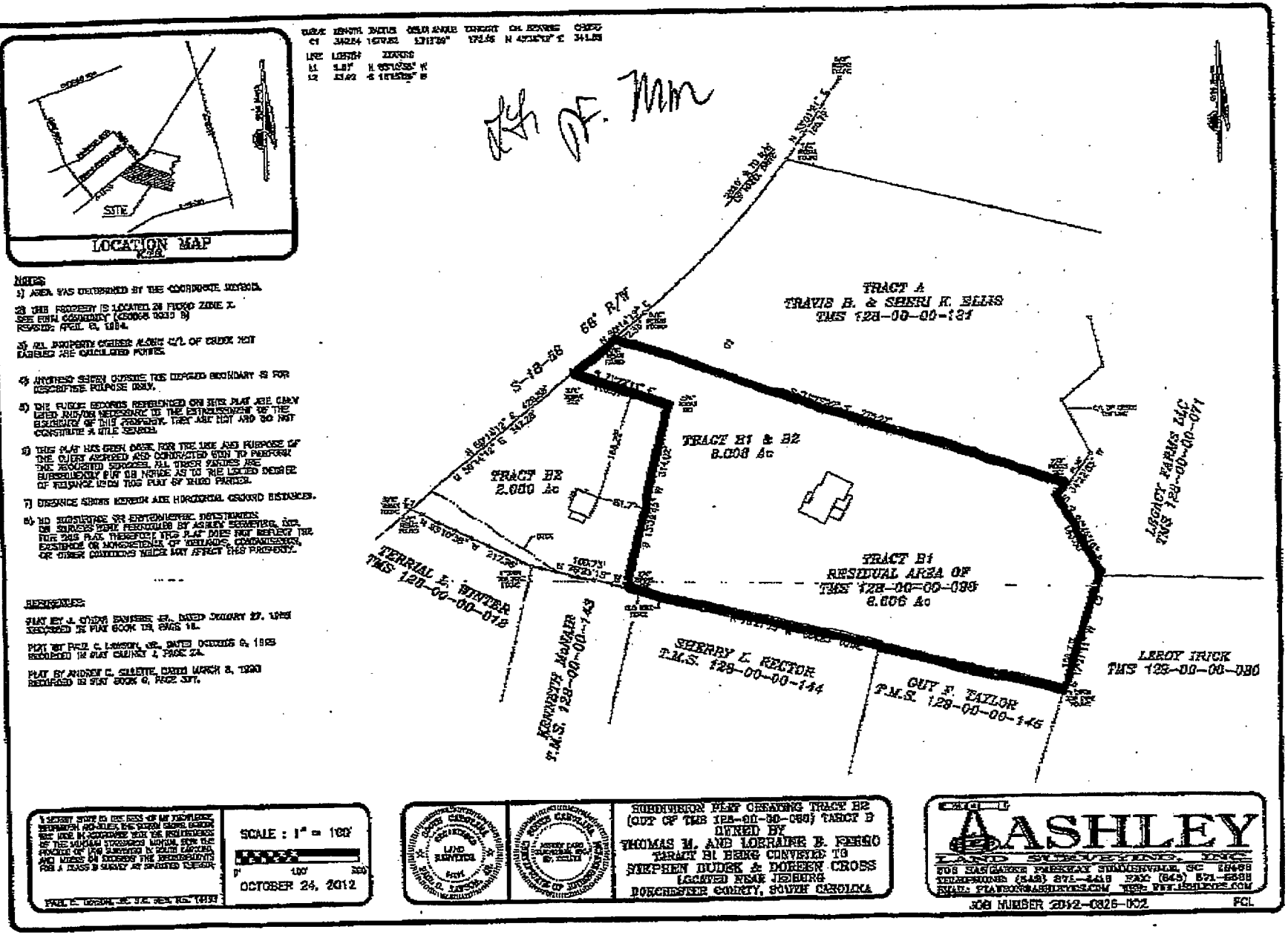
Buyer Molly M. Morphew — Date 12/16/12 — Time

Buyer — Date — Time

The Group, Llc
Real Estate Brokerage (Name of Real Estate Co.)

By: Broker/Assoc. Licensee — Date 12-16-12
Rick Willis

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LOCATION MAP
SITE
NOTES:
1) AREA WAS DETERMINED BY THE COORDINATE METHOD.
2) THIS PROPERTY IS LOCATED IN FLOOD ZONE X.
SEE FIRM COMMUNITY (450065 0210 B)
REVISED: APRIL 5, 1984.
3) ALL PROPERTY CORNER MARKS U/L OF CREEK NOT EMBEDDED ARE CALCULATED POINTS.
4) ANYTHING SHOWN OUTSIDE THE HEAVIER BOUNDARY IS FOR DESCRIPTIVE PURPOSE ONLY.
5) THE PUBLIC RECORDS REFERENCED ON THIS PLAT ARE ONLY USED AND/OR REFERENCE TO THE ESTABLISHMENT OF THE BOUNDARY OF THIS PROPERTY. THEY ARE NOT AND DO NOT CONSTITUTE A TITLE SEARCH.
6) THIS PLAT HAS BEEN MADE FOR THE USE AND PURPOSE OF THE CLIENT ASSIGNED AND CONTRACTED SUCH TO PERFORM THE REQUIRED SERVICES. ALL THESE PARTIES ARE SUBSEQUENTLY GIVEN NOTICE AS TO THE LIMITED DEGREE OF RELIANCE UPON THIS PLAT BY THIRD PARTIES.
7) DISTANCE SHOWN HEREON ARE HORIZONTAL GROUND DISTANCES.
8) NO INVESTIGATION OR ENVIRONMENTAL DETERMINATION ON SUBJECT WERE PERFORMED BY ASHLEY SURVEYING, INC. THIS PLAT, THEREFORE, THIS PLAT DOES NOT REFLECT THE EXISTENCE OR NONEXISTENCE OF WETLANDS, CONTAMINATION, OR OTHER CONDITIONS WHICH MAY AFFECT THIS PROPERTY.
REFERENCES:
PLAT BY J. CLYDE SAUNDERS, JR., DATED JANUARY 27, 1955 RECORDED IN PLAT BOOK 19, PAGE 18.
PLAT BY PAUL C. LAWSON, JR., DATED OCTOBER 9, 1985 RECORDED IN PLAT CABINET I, PAGE 2A.
PLAT BY ANDREW C. GILLETTE, DATED MARCH 8, 1990 RECORDED IN PLAT BOOK 0, PAGE 327.
TRACT A
TRAVIS B. & SHERI K. ELLIS
TMS 128-00-00-121
TRACT B1 & B2
8.008 Ac
TRACT B2
2.000 Ac
TRACT B1
RESIDUAL AREA OF
TMS 128-00-00-095
2.006 Ac
LEGACY FARMS INC.
TMS 128-00-00-071
LEROY TRICK
TMS 128-00-00-090
CUY E. TAYLOR
T.M.S. 128-00-00-145
SHERRY L. HECTOR
T.M.S. 128-00-00-144
KENNETH McMAHAN
T.M.S. 128-00-00-143
TERRIAL L. WINTER
TMS 128-00-00-075
56' R/W
S-18-55
SCALE : 1" = 100'
OCTOBER 24, 2012
SUBDIVISION PLAT CREATING TRACT B2
(OUT OF TMS 128-00-00-095) TARGET B
OWNED BY
THOMAS M. AND LORRAINE B. FERGO
TARACT B1 BEING CONVEYED TO
STEPHEN BUDEK & DOREEN CROSS
LOCATED NEAR JEDBURG
DORCHESTER COUNTY, SOUTH CAROLINA
ASHLEY
LAND SURVEYING, INC.
JOB NUMBER 2012-0826-002
PCL

QUALEY LAW FIRM

23 BROAD STREET
CHARLESTON, SC 29401

JOSEPH K. QUALEY
joequaley@qlawfirm.com

PHONE: (843) 577-3434
FACSIMILE: (843) 577-2241

December 24, 2012

VIA E-MAIL and US-MAIL
Susan Nicholson
Carolina One Real Estate
1530 Trolley Road
Summerville, SC 29485
snicholson@carolinaone.com

Re: 788 E. Butternut
Stephen Dudek and Doreen Cross

Dear Ms. Nicholson:

I have conducted a thorough review of the Agreement to Buy and Sell Real Estate in the above matter.

Since the Closing did not occur within the required time period (Time being of the Essence), this Contract is null and void.

It is my understanding that a Release was previously furnished to you for your clients' signature. Please return a signed copy to me on or before 3:00 pm on Thursday, December 27, 2012 . The Sellers will then sign thus allowing a return of your clients' Earnest Money Deposit.

Many thanks and I look forward to receiving the Release.

Sincerely,

J. K. Qualey

Joseph K. Qualey

JKQ/abr

cc: Rick Willis (Via e-mail only)

Williams, Allison

From: Cross,Doreen <Doreen.Cross@tridenttech.edu>
Sent: Tuesday, November 27, 2012 11:57 AM
To: Williams, Allison
Cc: 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220'
Subject: Dudek/Cross 788 East Butternut - Checking in

Hi Allison.

I'm checking to make sure the Location Map prepared by Ashley Land Surveying, Inc. is what you need. I have no idea if this is recorded anywhere in Dorchester County. Also, I talked to USAA in more detail and they were able to save a little more $ on the HO insurance. They said they would forward you a new copy.

Other than that, I'm still waiting for reports (structural and molsture) so we can firm everything up. The CL100 was scheduled this morning. My realtor is starting to chew her nails ☺. I'll be in touch soon.

Let me know if there's anything other than most recent pay stubs that I can get together for you. Thanks! -Doreen (574-6956)

Williams, Allison

From: Carrie Boyer <cboyer@wooddylaw.com>
Sent: Tuesday, November 27, 2012 5:14 PM
To: Williams, Allison
Cc: Susan Nicholson
Subject: Title Request Needed - Dudek 788 E. Butternut Road

Good evening - our office has been contacted to handle Mr. Dudek's purchase of the above referenced property. Please forward your title request at your earliest convenience. Title has been ordered - thanks! :)

--

Carrie Boyer
Real Estate Paralegal

THE WOODDY LAW FIRM, LLC

Goose Creek Office
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: 843.553.6799
Fax: 843.553.0724

Mt. Pleasant Office
622 Johnnie Dodds Blvd.
Mt. Pleasant, SC 29464
Phone: 843.881.3700
Fax: 843.881.2511

1/23/2013 10:40:39 AM MARGIE: PLR; FILE TO 2ND REV--SINGLE FEMALE--DECLINE FOR INCOMP APP

1/25/2013 1:25:26 PM KAY: PLR RECEIVED A REQUEST FROM THE SELLING AGENT FOR SPECIFICS ABOUT WHEN FILE WAS RECEIVED, APPROVED, WHEN SHE MADE APPPLICATION ETC... I HAVE CALLED MRS. CROSS TO ASK IF THE BORROWER WANT ME TO PROVIDE THE LISTING AGENT. IF SO,
NEED STATEMENT IN WRITING.

1/29/2013 8:14:25 AM KAY: PLR NO RETURN CALL FROM BORROWER. FILE IS GOING BACK TO MARGIE FOR SECOND REVIEW.

1/29/2013 4:41:56 PM KAY: PLR BORROWER CALLED ME BACK. GOT MY VOICE MAIL. I LEFT HER ANOTHER VOICE MAIL.

1/30/2013 8:22:59 AM KAY: PLR BORROWER CALLED ME BACK AND REQUESTED THAT I EMAIL HER THE QUESTIONS THAT WERE BEING ASKED FROM THE SELLING AGENT. I DID AT 08:20AM TODAY.

1/30/2013 9:57:20 AM KAY: PLR BORROWER EMAILED ME THE NAME OF HER ATTORNY...DAVID A COLLINS 843-760-0220 AND ASKED ME TO DIRECT ALL QUESTIONS THUR HER ATTORNEY.

1/31/2013 11:05:44 AM MARGIE: PLR; REC'D FILE FROM 2ND REV; LETTER AND REFUND CK MAILED TODAY; FILE TO W/R STORAGE DRAWER

AND EMAILED TO LO (sales price $303,000)

12/17/2012 10:13:17 AM SANDI: plr appraisal reviewed. file to mla, approved du #6

12/17/2012 1:36:21 PM MADDY: PLR LOAN STILL TO TO BE REVIEWED BY UW ONCE ITEMS ARE RECIEVED:
1. CONTRACT WITH ADDEMS LEGIBLE COPY
2. TRANSCRIPTS

12/18/2012 11:56:58 AM QADEERA: PLR TRANSCRIPTS ORDERED.

12/18/2012 5:37:26 PM MADDY: PLR FILE TO UW FOR CONDITION REVIEW --SANDI

12/20/2012 10:43:07 AM SANDI: RECEIVED/REVIEWED LEGIBLE COPY OF SALES CONTRACT INCLUDING ALL ADDENDUMS. A REPAIR ADDENDUM WAS ALSO PROVIDED THAT WAS NOT PRESENT AT ORIGINAL UNDERWRITE. REPAIRS SEEM SUBSTANTIAL AND COULD INVOLVE STRUCTURAL/SAFETY ISSUES.
PER ADDENDUM ALL ITEMS TO BE ADDRESSED BY A LICENSED CONTRACTOR. I HAVE REQUESTED COPIES OF THOSE LETTERS AT CLOSING AS WELL AS A HOLD HARMLESS. FILE BACK TO MLA

12/20/2012 11:05:59 AM MADDY: PLR FILE TO QADEERA FOR VOE LABLES. TRYING TO CLOSE ON DEC 28TH

12/31/2012 3:24:56 PM MADDY: plr emailed bwr and mlo to get update on contract extension...

1/3/2013 11:29:25 AM MADDY: PLR 10 DAY LETTER SENT

1/12/2013 12:19:53 PM KAY: PLR IS HAS COME TO OUR ATTENTION THAT THIS FILE IS A SHORT SALE. (PREVIOUSLY SENT A 10 DAY LETTER ASKING OF FOR AN EXTENSION BUT THIS IS NOT THE CASE) I ASK THE LO TO CALL OR HAVE HER ASK THE PROCESSOR TO CALL THE BORROWER AND
INQUIRE IF THERE HAS BEEN A VERBAL ACCEPTANCE. FILE IS COMPLETLY APPROVED JUST WAITING ON SHORT SALE APPROVAL.

1/16/2013 5:46:00 PM MADDY: PLR FILE BACK TO SANDI FOR DECLINE DUE TO EXPIRED 10 DAY LETTER

1/18/2013 10:01:31 AM SANDI: FILE DECLINED FOR INCOMPLETE APP AND SENT TO MARGIE TO COMPLETE.

1/18/2013 10:24:47 AM SANDI: EMAILED LO JUST TO BE SURE SHE HAD NOT HEARD FROM THE BORROWER REGARDING A CONTRACT EXTENSION. SHE SENT AN EMAIL BACK TO ME STATING THE BORROWER/SELLER ARE IN LITIGATION WITH EACH OTHER AND THE BORROWERS ATTY HAS PLACED AN
ORDER THAT THE SELLER CANNOT SELL THE HOME TO ANYONE OTHER THAN THE BUYER. LO IS REQUESTING THE FILE BE ESCALATED TO LINDA HITCHCOCK FOR DETERMINATION OF DECLINATION OR HOLD UNTIL RESOLUTION. LINDA IS OUT TODAY AND WILL RETURN TUES. I WILL HOLD FILE
UNTIL THEN TO DISCUSS.

Memos for Loan: W12AW08756

Generated on 01-23-2013 at 10:41:04

7/5/2012 11:36:43 AM 10334: Called and emailed customer to see what the status of her house hunt is... Allison

7/10/2012 12:36:02 PM 10334: She is thinking about building. She'll get back with me.

7/25/2012 3:18:18 PM 10334: She is still looking around. Allison

10/12/2012 12:07:31 PM 10334: Talked to her today & she has found 2 houses she is interested in.... Don't cancel this one yet. Allison

10/31/2012 11:07:28 AM 10334: She has found a house but there are inspection issues they are trying to work out. She'll keep me posted. AW

11/30/2012 9:27:24 AM MARGIE: PLR DEAD FILE--OVER 180 DAYS OLD--BORROWER QUALIFIES OTHERWISE

12/6/2012 9:14:30 AM MARGIE: PLR; talked to Allison--seller has subdivided into two lots--file is active-all docs were updated including credit.

12/6/2012 10:49:43 AM DONNA: APPRAISAL AND FLOOD CERT ORDERED TODAY/$425.00 IN FILE/NO ATTORNEY NAMED-NO TITLE WORK REQUESTED/FILE TO PRE-PROCESSOR AND PRE-PROCESSOR WILL GIVE TO SHAMARIE JOHNSON

12/6/2012 2:58:11 PM QADEERA: PLR FILE TO MADDIE M. UDM ACTIVATED, 4506-T NOT SIGNED TRANSCRIPTS NOT ORDERED. FILE IS UPLOADED THRU WEB.

12/6/2012 5:10:26 PM QADEERA: PLR FILE TO SHA MARIE J.

12/7/2012 9:16:51 AM SHAMARIE: PLR FILE SUBMITTED STRAIGHT TO UW. MADDY WILL BE THE PROCESSOR.

12/11/2012 11:23:35 AM SANDI: no appraisal in file at time of uw

12/11/2012 1:12:57 PM SANDI: ACCEPTABLE FC SCORES 825/750. DW HAS REVIEWED ALL ALERTS PRESENT AS OF 12/6/12

12/11/2012 2:17:05 PM SANDI: PLR FILE, FINDINGS, APPRAISAL REVIEWED, APPROVED. FILE TO MLA. APPROVED DU #4.

12/12/2012 1:27:58 PM MADDY: PLR LOAN USED PREAPPROVAL APPLICATION FROM 5/7 BEFORE PROPERTY AND APP DATE WILL BE 12/5 THE DATE CREDIT WAS REPULLED AND PROPERTY ADDED PER BECKY.

12/12/2012 1:29:30 PM MADDY: PLR APPROVAL LETTER MAILED AND EMAILED TO BWR. DISCUSSED OUTSTANDING ITEMS WITH MLO IS WHO CALLING BWR AND WILL TRY TO GET LEGIBLE COPY OF SALES CONTRACT W/ ADDENDUMS. REMOVED RETIREMENT FROM ASSETS AND RERAN DU ECT.

12/12/2012 3:31:12 PM MADDY: PLR TITLE REQUESTED

12/14/2012 12:11:59 PM CLAUDETTE: PLR APPRAISAL $340,000 MAILED TO BORROWER

Steele, Sandi

From: Williams, Allison
Sent: Friday, January 18, 2013 10:09 AM
To: Steele, Sandi
Subject: RE: DOREEN CROSS

This file is in litigation and the seller could decide to sell at any moment. If that happens and the file is cancelled, that could be a problem. My advice is and has been to leave the file open until this perding litigation is resolved or until the docs/appraisal expires, but nobody is listening to me. The attorneys are in negotiation still as of a couple days ago & the attorney for the buyer has placed an order that the seller cannot sell to anyone else until the matter is resolved. I think someone there should speak to our attorney about how to proceed. We could get drawn into this law suit if it in fact becomes a law suit. Linda is the ultimate person that needs to decide this... I will email the buyer again and see if there is any news & let you know. Thanks, Allison

---

From: Steele, Sandi
Sent: Friday, January 18, 2013 9:59 AM
To: Williams, Allison
Subject: DOREEN CROSS

Hi Allison,

I received this file for decline due to borrower not sending a contract extension.....I just wanted to verify you had not heard from her before I process this file out....

Thanks! Sandi

Sandi Steele
First Federal
2440 Mall Drive Suite 100
North Charleston, SC 29406
Phone: 843-529-5840
Toll Free: 800-768-3248 x5840
Fax: 843-529-5816

"The highest compliment our mortgage clients can give us is the referral of their friends, family and business associates." Thank you for your business!

First Federal

March 13, 2013

Wills Massalon & Allen LLC
Attn: I Ryan Neville
97 Broad St PO Box 859
Charleston SC 29402

Re: Stephen Dudek & Doreen Cross

Dear Mr. Neville:

I am in receipt of your subpoena of March 4, 2013 on the above referenced client.

Please be advised there are no accounts for this client at our institution. We researched our internal system and Dorchester County Register of Deeds and were unable to locate any loan documents related to the above referenced customers for the specific address and TMS number.

Please contact the undersigned at 843-529-5547 with any questions or concerns.

Sincerely,

Sharon Raye Hester

Sharon Raye Hester
Deposit Operations

WMA
WILLS MASSALON & ALLEN LLC

97 Broad Street • Charleston, SC 29401 • Post Office Box 859 • Charleston, SC 29402
Phone: 843-727-1144 • Fax: 843-727-7696 • www.wmalawfirm.net

March 4, 2013

Corporation Service Company
First Federal Bank
1703 Laurel Street
Columbia, SC 29201

RE: Molly M. Morphew v. Thomas Ferro, Lorraine Ferro, Stephen Dudek, and Doreen Cross
Case No.: 2013-CP-18-0183
Our File No.: 868-1

Dear Sir/Madam:

I represent the Plaintiff in the above referenced matter. In regard to that action, I enclose herewith a Subpoena requesting certain documents pertaining to the above referenced matter.

Please forward the requested documents by March 18, 2013, along with a certificate stating that the copies are a true, accurate, and complete copy of any and all documents or tangible thing of any description whatsoever, electronic or otherwise, in your possession relating to Stephen Dudek and Doreen Cross' purchase of 788 E. Butternut, Summerville, SC 29483 (TMS 128-00-00-090) including but not limited to loan applications, supporting data, correspondence, ect. I will reimburse you for any reasonable expenses incurred in complying with this request.

If you anticipate that the cost of reproducing the requested documents will exceed $50, please contact me before copying the records. Otherwise, please forward the requested documents to my attention along with an invoice for the copying costs and my firm will reimburse you.

By copy of this correspondence, I am advising all counsel of record that these records have been requested from your office. Also, we request that counsel consider this letter as a supplemental discovery response on behalf of the Plaintiff. Plaintiff reserves the right to use the subject documents at the trial of this action.

Thank you for your attention to this matter. With kind regards, I am

Sincerely,

WILLS MASSALON & ALLEN LLC

I. Ryan Neville
rneville@wmalawfirm.net

Enclosures
cc: David A. Collins, Esquire
Ms. Molly M. Morphew
Mr. Thomas Ferro
Mrs. Lorraine Ferro

STATE OF SOUTH CAROLINA

ISSUED BY THE COMMON PLEAS COURT IN THE COUNTY OF DORCHESTER

Molly M. Morphew, Plaintiff

v.

SUBPOENA IN A CIVIL CASE

Thomas Ferro, Lorraine Ferro, Stephen Dudeck

Case Number: 2013-CP-18-0183

Pending in Dorechester County

TO: Corporation Service Company,First Federal Bank, 1703 Laurel Street, Columbia SC 29201

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☐ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION	DATE AND TIME , AM

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents of objects:

Any and all First Federal Bank documents or tangible thing of any description whatsoever, electronic or otherwise, in your possession relating to Stephen Dudek and Doreen Cross' purchase of 788 E. Butternut, Summerville, SC 29483 (TMS 128-00-00-090) including but not limited to loan applications, supporting data, correspondence, ect.

PLACE Wills Massalon Allen, LLC 97 Broad Street, Charleston SC 29401	DATE AND TIME March 18, 2013, 10:00 AM

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(c)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES.

DATE March 4, 2013

ATTORNEY/ISSUING OFFICER'S SIGNATURE (INDICATE IF ATTORNEY FOR PLAINTIFF OR DEFENDANT)

CLERK OF COURT/ISSUING OFFICER SIGNATURE | DATE | PRINT NAME

SCCA 254 (10/04)

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on next page)

PROOF OF SERVICE

SERVED	DATE 3/4/13	FEES AND MILEAGE TENDERED TO WITNESS
	PLACE 1703 Laurel Street, Columbia, SC 29201	☐YES ☒ NO AMOUNT $
SERVED ON Corporation Service Company: First Federal Bank		MANNER OF SERVICE US Mail
SERVED BY Krystal Parrish		TITLE Legal Assistant

DECLARATION OF SERVER

I certify that the foregoing information contained in the Proof of Service is true and correct.

Executed on 3/4/13

SIGNATURE OF SERVER

97 Broad Street, Charleston SC 29401
ADDRESS OF SERVER

Rule 45, South Carolina Rules of Civil Procedures, Parts (c) and (d):

(c) Protection of Persons Subject to Subpoenas.

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court on behalf of which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2) (A) A person commanded to produce and permit inspection and copying of designated books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial. A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable costs of reproduction.

(B) Subject to paragraph (d) (2) of this rule, a person commanded to produce and permit inspection and copying may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to inspection or copying of any or all of the designated materials or of the premises. If objection is made, the party serving the subpoena shall not be entitled to inspect and copy the materials or inspect the premises except pursuant to an order of the court by which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time in the court that issued the subpoena for an order to compel the production. Such an order to compel production shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection and copying commanded.

(3) (A) On timely motion, the court by which a subpoena was issued, or regarding a subpoena commanding appearance at a deposition, or production or inspection directed to a non-party, the court in the county where the non-party resides, is employed or regularly transacts business in person, shall quash or modify the subpoena if it:

i. fails to allow reasonable time for compliance; or

ii. requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to travel more than 50 miles from the county where that person resides, is employed or regularly transacts business in person, except that, subject to the provisions of clause (c)(3)(B)(iii) of this rule, such a person may in order to attend trial be commanded to travel from any such place within the state in which the trial is held; or

iii. requires disclosure of privileged or otherwise protected matter and no exception or waiver applies; or

iv. subjects a person to undue burden.

(B) If a subpoena:

i. requires disclosure of a trade secret or other confidential research, development, or commercial information, or

ii. requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or

iii. requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to incur substantial expense to travel from the county where that person resides, is employed or regularly transacts business in person,

the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

(2) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

First Federal

August 12, 2013

Wills Massalon & Allen LLC
Attn: I Ryan Neville
PO Box 859
Charleston SC 29402

Re: Loan No. 7100323356
Case No. 2013-CP-18-0183

Dear Nr Neville,

I am in receipt of your subpoena of August 1, 2013 requesting information on the above referenced loan.

Please be advised there are no records of any loans with that number at our institution.

Please contact the undersigned with any questions or concerns.

Sincerely,

Judith Ann Clune
Deposit Operations

WMA
WILLS MASSALON & ALLEN LLC

97 Broad Street • Charleston, SC 29401 • Post Office Box 859 • Charleston, SC 29402
Phone: 843-727-1144 • Fax: 843-727-7696 • www.wmalawfirm.net

August 1, 2013

Corporation Service Company
First Federal Bank
1703 Laurel Street
Columbia, SC 29201

RE: Molly M. Morphew v. Thomas Ferro, Lorraine Ferro, Stephen Dudek, and Doreen Cross
Case No.: 2013-CP-18-0183
Our File No.: 868-1

Dear Sir/Madam:

I represent the Plaintiff in the above referenced matter. In regard to that action, I enclose herewith a Subpoena requesting certain documents pertaining to the above referenced matter.

Please forward the requested documents by August 15, 2013, along with a certificate stating that the copies are a true, accurate, and complete copy of any and all documents or tangible thing of any description whatsoever, electronic or otherwise, relating in any manner to loan number 7100323356, Doreen C Cross and Stephen C Dudek, 236 Cady Drive, Summerville, SC 29483, 788 E Butternut Rd, Summerville, SC 29483, and/or TMS# 128-00-00-090. I will reimburse you for any reasonable expenses incurred in complying with this request.

If you anticipate that the cost of reproducing the requested documents will exceed $50, please contact me before copying the records. Otherwise, please forward the requested documents to my attention along with an invoice for the copying costs and my firm will reimburse you.

By copy of this correspondence, I am advising all counsel of record that these records have been requested from your office. Also, we request that counsel consider this letter as a supplemental discovery response on behalf of the Plaintiff. Plaintiff reserves the right to use the subject documents at the trial of this action.

Thank you for your attention to this matter. With kind regards, I am

Sincerely,

WILLS MASSALON & ALLEN LLC

I. Ryan Neville
rneville@wmalawfirm.net

Enclosures
cc: David A. Collins, Esquire
Ms. Molly M. Morphew
Mr. Thomas Ferro
Mrs. Lorraine Ferro

STATE OF SOUTH CAROLINA

ISSUED BY THE COMMON PLEAS COURT IN THE COUNTY OF DORCHESTER

Molly M. Morphew, Plaintiff

v.

SUBPOENA IN A CIVIL CASE

Thomas Ferro, Lorraine Ferro, Stephen Dudeck

Case Number: 2013-CP-18-0183

Pending in Dorechester County

TO: Corporation Service Company,First Federal Bank, 1703 Laurel Street, Columbia SC 29201

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☐ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION	DATE AND TIME , AM

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents of objects:

Any and all documents or tangible thing of any description whatsoever, electronic or otherwise, relating in any manner to loan number 7100323356, Doreen C Cross and Stephen C Dudek, 236 Cady Drive, Summerville, SC 29483, 788 E Butternut Rd, Summerville, SC 29483, and/or TMS# 128-00-00-090

PLACE Wills Massalon Allen, LLC 97 Broad Street, Charleston SC 29401	DATE AND TIME August 15, 2013, 5:00 PM

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(c)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES.

DATE August 1, 2013

ATTORNEY/ISSUING OFFICER'S SIGNATURE (INDICATE IF ATTORNEY FOR PLAINTIFF OR DEFENDANT)

CLERK OF COURT/ISSUING OFFICER SIGNATURE | DATE | PRINT NAME

SCCA 254 (10/04)

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on next page)

PROOF OF SERVICE

SERVED	DATE 8/1/13	FEES AND MILEAGE TENDERED TO WITNESS
	PLACE 1703 Laurel Street, Columbia, SC 29201	☐YES ☒ NO AMOUNT $
SERVED ON Corporation Service Company: First Federal Bank		MANNER OF SERVICE US Mail
SERVED BY Krystal Parrish		TITLE Legal Assistant

DECLARATION OF SERVER

I certify that the foregoing information contained in the Proof of Service is true and correct.

Executed on 8/1/13

SIGNATURE OF SERVER

97 Broad Street, Charleston SC 29401
ADDRESS OF SERVER

Rule 45, South Carolina Rules of Civil Procedures, Parts (c) and (d):

(c) Protection of Persons Subject to Subpoenas.

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court on behalf of which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2) (A) A person commanded to produce and permit inspection and copying of designated books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial. A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable costs of reproduction.

(B) Subject to paragraph (d) (2) of this rule, a person commanded to produce and permit inspection and copying may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to inspection or copying of any or all of the designated materials or of the premises. If objection is made, the party serving the subpoena shall not be entitled to inspect and copy the materials or inspect the premises except pursuant to an order of the court by which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time in the court that issued the subpoena for an order to compel the production. Such an order to compel production shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection and copying commanded.

(3) (A) On timely motion, the court by which a subpoena was issued, or regarding a subpoena commanding appearance at a deposition, or production or inspection directed to a non-party, the court in the county where the non-party resides, is employed or regularly transacts business in person, shall quash or modify the subpoena if it:

i. fails to allow reasonable time for compliance; or

ii. requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to travel more than 50 miles from the county where that person resides, is employed or regularly transacts business in person, except that, subject to the provisions of clause (c)(3)(B)(iii) of this rule, such a person may in order to attend trial be commanded to travel from any such place within the state in which the trial is held; or

iii. requires disclosure of privileged or otherwise protected matter and no exception or waiver applies; or

iv. subjects a person to undue burden.

(B) If a subpoena:

i. requires disclosure of a trade secret or other confidential research, development, or commercial information, or

ii. requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or

iii. requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to incur substantial expense to travel from the county where that person resides, is employed or regularly transacts business in person,

the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

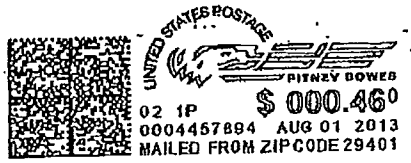
(2) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on next page)

WMA

WILLS MASSALON & ALLEN LLC

Post Office Box 859
Charleston, SC 29402



Corporation Service Company
First Federal Bank
1703 Laurel Street
Columbia, SC 29201

29201+2660

(P) 868-1

First Federal

A Division of SCBT

June 10, 2014

John A. Massalon, Esquire
Wills Massalon & Allen, LLC
97 Broad Street
Charleston, SC 29401

RE: Subpoena Request
Molly M. Morphew v. Thomas Ferro, Lorraine Ferro
Stephen Dudek, and Doreen Cross
Case: 2013-CP-18-0183

Dear Mr. Massalon:

Attached are documents responsive to the Subpoena issued on March 4, 2013, regarding the above reference matter.

If I can be of further assistance, please feel free to contact me in the Legal Research Department of First Federal, A Division of SCBT.

Sincerely,

Angie Miller

Angie Miller
Custodian of Records
Angie.Miller@cbtonline.com
706.894.3525 Direct Line
706.778.3645 Direct Fax

PLEASE SHARE WITH ALL

AGENTS IN YOUR OFFICE

FIRST FINANCIAL HOLDINGS, INC.
P. O. Box 118068 · Charleston, S.C. 29423-8068
(843) 529-5933 · FAX: (843) 529-5883
www.firstfinancialholdings.com

NOTICE OF APPOINTMENT OF REGISTERED AGENT

To Whom It May Concern:

First Financial Holdings, Inc.; First Federal Savings & Loan Association of Charleston; First Southeast Insurance Services, Inc.; First Southeast Investor Services, Inc. and all subsidiaries and affiliates have designated the Corporation Service Company (CSC) as the registered agent in all states in which business is conducted. You are instructed to check the Secretary of State's Corporation Database in your jurisdiction for the specific service address.

SERVICE OF PROCESS WILL NO LONGER BE ACCEPTED AT OUR PHYSICAL BUSINESS ADDRESSES OR OUR MAILING ADDRESSES.

Thank you,

Robert L. Davis
Executive Vice President and
Corporate Counsel

STATE OF SOUTH CAROLINA

ISSUED BY THE COMMON PLEAS COURT IN THE COUNTY OF DORCHESTER

Molly M. Morphew, Plaintiff

v.

Thomas Ferro, Lorraine Ferro, Stephen Dudeck

SUBPOENA IN A CIVIL CASE

Case Number: 2013-CP-18-0183

Pending in Dorechester County

TO: Corporation Service Company, First Federal Bank, 1703 Laurel Street, Columbia SC 29201

☐ YOU ARE COMMANDED to appear in the above named court at the place, and time specified below to testify in the above case.

PLACE OF TESTIMONY	COURTROOM
	DATE AND TIME , AM

☐ YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION	DATE AND TIME , AM

☒ YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects in your possession, custody or control at the place, date and time specified below (list documents of objects:

Any and all First Federal Bank documents or tangible thing of any description whatsoever, electronic or otherwise, in your possession relating to Stephen Dudek and Doreen Cross' purchase of 788 E. Butternut, Summerville, SC 29483 (TMS 128-00-00-090) including but not limited to loan applications, supporting data, correspondence, ect.

PLACE Wills Massalon Allen, LLC 97 Broad Street, Charleston SC 29401	DATE AND TIME March 18, 2013, 10:00 AM

☐ YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below.

PREMISES	DATE AND TIME , AM

ANY SUBPOENAED ORGANIZATION NOT A PARTY TO THIS IS HEREBY DIRECTED TO RULE 30(b)(6), SOUTH CAROLINA RULES OF CIVIL PROCEDURE, TO FILE A DESIGNATION WITH THE COURT SPECIFYING ONE OR MORE OFFICERS, DIRECTORS, OR MANAGING AGENTS, OR OTHER PERSONS WHO CONSENT TO TESTIFY ON ITS BEHALF, SHALL SET FORTH, FOR EACH PERSON DESIGNATED, THE MATTERS ON WHICH HE WILL TESTIFY OR PRODUCE DOCUMENTS OR THINGS. THE PERSON SO DESIGNATED TESTIFY AS TO MATTERS KNOWN OR REASONABLY AVAILABLE TO THE ORGANIZATION

I CERTIFY THAT THE SUBPOENA IS ISSUED IN COMPLIANCE WITH RULE 45(c)(1), AND THAT NOTICE AS REQUIRED BY RULE 45(b)(1) HAS BEEN GIVEN TO ALL PARTIES.

DATE March 4, 2013

ATTORNEY/ISSUING OFFICER'S SIGNATURE (INDICATE IF ATTORNEY FOR PLAINTIFF OR DEFENDANT)

CLERK OF COURT/ISSUING OFFICER SIGNATURE — DATE — PRINT NAME

SCCA 254 (10/04)

(See Rule 45, South Carolina Rules of Civil Procedure, Parts (c) & (d) on next page)

First Federal

A Division of SCBT

RECORDS CUSTODIAN'S
VERIFICATION OF AUTHENTICITY

STATE OF: GEORGIA

COUNTY OF: HABERSHAM

Before me, the undersigned officer duly authorized to administer oaths, appeared ANGIE MILLER, who, upon being duly sworn states: that I am a duly authorized custodian of the business records of *FIRST FEDERAL, A DIVISION OF SCBT;* and have the authority to certify such records; that the copies of documentation attached are true and correct copies of the business records kept in the normal course of business of *FIRST FEDERAL A DIVISION SCBT;* and, that I made a diligent effort to comply with the SUBPOENA dated MARCH 4, 2013.

Angie Miller
RECORDS CUSTODIAN

SWORN TO and SUBSCRIBED before me

this 10th day of June, 2014

Melody J Samples
Notary Public for the State of Georgia
My Commission Expires: April 13, 2015

MELODY J. SAMPLES NOTARY PUBLIC Exp. Apr. 13, 2015 HABERSHAM COUNTY, GA

Second Review Sheet
Use for loans only going to Second Review or Loan Committee

DU Finding results:

Applicants Name: DOREEN C CROSS
STEPHEN C DUDEK

Product Type: CONV Purchase

Primary Investor or Second Home Limited or Cash out $

Loan Amount Requested: $ 242,400

LTV: 80.00 Ratios: 31 / 39 Credit Score: 803 / 697

(B) Job Position: INSTR. TECH YRS: 12

(Co-B) Position: TECHNICAL SERVICES NETWOR YRS: 0

Assets Required Remaining:

Recommendation/Comments by Processor: Date:

Compliance Auditor, Underwriter or Designee Section - Based on the facts above:

loan is NOT approved, but granted permission to continue processing.

✓ loan is declined (use same denial reasons as the Adverse Action Form):

10 day letter - no response

UNDERWRITER: [signature] DATE: 1/23/13

Second Review: Reviews files upon request along with ALL files with low to moderate income, single female, minority or FHA, VA and USDA loans.

I AGREE or DISAGREE with the original denial decision.

Committee Meeting Date: 1-30-13

Committee: [signature] [signature] [signature]

Loan Committee, when requested by Second Review

Decision: Date:

Signature Signature Signature

SECREV
8/12

Statement of Credit Denial, Termination or Change

Lender	Applicant	Date
FIRST FEDERAL BANK	DOREEN CROSS	January 31st, 2013
2440 MALL DRIVE	236 CADY DRIVE	Application or Loan Number
NORTH CHARLESTON, SC 29406	SUMMERVILLE, SC 29483	W12AW08756

"We" means Lender. "You" means Applicant.

Property Address: 788 E BUTTERNUT RD
SUMMERVILLE, SC 29483

Description of Account, Transaction or Requested Credit

Mortgage Loan

Description of Action Taken: SEE BELOW

Principal Reasons for Credit Denial, Termination or Other Action Taken Concerning Credit

- [X] Credit Application Incomplete
- [ ] Insufficient Number of Credit References Provided
- [ ] Unacceptable Type of Credit References Provided
- [ ] Unable to Verify Credit References
- [ ] Temporary or Irregular Employment
- [ ] Unable to Verify Employment
- [ ] Length of Employment
- [ ] Income Insufficient for Amount of Credit Requested
- [ ] Excessive Obligations in Relation to Income
- [ ] Unable to Verify Income
- [ ] Length of Residence
- [ ] Temporary Residence
- [ ] Unable to Verify Residence
- [ ] No Credit File
- [ ] Limited Credit Experience
- [ ] Poor Credit Performance with Us
- [ ] Delinquent Past or Present Credit Obligations with Others
- [ ] Collection Action or Judgment
- [ ] Garnishment or Attachment
- [ ] Foreclosure or Repossession
- [ ] Bankruptcy
- [ ] Number of Recent Inquiries on Credit Bureau Report
- [ ] Value or Type of Collateral not Sufficient
- [ ]
- [ ]
- [ ]
- [ ]
- [ ]

Disclosure of Use of Information Obtained from an Outside Source

[X] Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency or agencies listed below. You have a right under the *Fair Credit Reporting Act* to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

Statement of Credit Denial, Termination or Change [continued]

Consumer Reporting Agency Name	Mailing Address	Telephone *Toll-Free*	Web Address
EQUIFAX MORTGAGE SOLUTI	6 E. CLEMENTON RD STE A2 GIBBSBORO, NJ 08026	800-333-0037	www.equifax.com

☐ We also obtained your credit score from the consumer reporting agency and used it in making our credit decision. Your credit score is a number that reflects the information in your consumer report. Your credit score can change, depending on how the information in your consumer report changes.

- **Your credit score:**
- **Date:**
- **Scores range from a low of to a high of**
- **Key factors that adversely affected your credit score:**

If you have any questions regarding your credit score, you should contact
Equifax 800-685-1111 Experian 888-397-3742 TransUnion 800-916-8800

☐ Our credit decision was based in whole or in part on information obtained from an affiliate or from an outside source other than a consumer reporting agency. Under the *Fair Credit Reporting Act*, you have the right to make a written request, no later than 60 days after you receive this notice, for disclosure of the nature of this information.

Statement of Credit Denial, Termination or Change [continued]

Questions

If you have any questions regarding this notice, you should contact:

Creditor's Name: FIRST FEDERAL BANK
Address: 2440 MALL DRIVE
NORTH CHARLESTON, SC 29406
Telephone: 888-529-2220

Notice. The federal *Equal Credit Opportunity Act* prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the *Consumer Credit Protection Act*. The federal agency that administers compliance with this law concerning this creditor is:

Federal Reserve Consumer Help Center
P. O. Box 1200
Minneapolis, MN 55480

First Federal

January 31, 2013

DOREEN C CROSS
STEPHEN C DUDEK
235 CADY DRIVE
SUMMERVILLE SC 29483

Loan Application # W12AW08756

DOREEN CROSS

Thank you for considering First Federal for your mortgage needs. Enclosed you will find our check number #643216 in the amount of $13.20, for the unused portion of your loan application fee, and a Statement of Credit Denial, Termination or Change. Please keep us in mind for any mortgage and banking services you may need in the future.

***If you have any questions regarding this loan application, please contact your loan officer*.** Thank you for your prompt attention to this matter.

Thank you,

Margie Vincent

Margie Vincent
Compliance Auditor

Enclosure

First Federal

January 31, 2013

DOREEN C CROSS
STEPHEN C DUDEK
236 CADY DRIVE
SUMMERVILLE SC 29483

Loan Application # W12AV08756

STEPHEN DUDEK\

Thank you for considering First Federal for your mortgage needs. Enclosed you will find our check number # 643216 in the amount of $13.20, for the unused portion of your loan application fee, and a Statement of Credit Denial, Termination or Change. Please keep us in mind for any mortgage and banking services you may need in the future.

Sent with Doreen letter

***If you have any questions regarding this loan application, please contact your loan officer*.** Thank you for your prompt attention to this matter.

Thank you,

Margie Vincent

Margie Vincent
Compliance Auditor

Enclosure

First Federal

W12AW08756

Date 01/03/2013

DOREEN C CROSS
STEPHEN C DUDEK
236 CADY DRIVE
SUMMERVILLE SC 29483

Re: Request for additional information

Dear Applicant(s):

Thank you for trusting us with your residential loan application.

As discussed during the application process, we require all necessary loan documents within 10 days of your initial application. As of today, First Federal has not received all the requested documents. We are missing the following items:

1. PLEASE PROVIDE A SALES CONTRACT EXTENSION SIGNED BY ALL PARTIES.
2. FIRST FEDERAL TO OBTAIN A VERBAL VERIFICATION OF EMPLOYMENT PRIOR TO CLOSING.
3.

Please fax or drop off these documents at any one of our convenient locations.

We must receive all the above documentation within 10 days from the date of this letter. Otherwise, First Federal will regrettably be unable to give further consideration to your credit request and any corresponding interest rate lock agreements. Should you decide at a later date to furnish the above items, we can assist you with a new application.

Please call me with any questions. My contact information is shown below. I look forward to providing you with your home financing.

Sincerely,

NMLS Registry #000000607897

Uniform Residential Loan Application

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

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

Borrower: Doreen C Cross Co-Borrower: Stephen C. Dudek

I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for:	Agency Case Number	Lender Case Number
[ ] VA [X] Conventional [ ] Other (explain): [ ] FHA [ ] USDA/Rural Housing Service		W12AW08756

Amount	Interest Rate	No. of Months	Amortization Type:	
$ 242,400.00	3.750 %	360	[X] Fixed Rate [ ] GPM [ ] ARM (type):	[ ] Other (explain):

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state & ZIP) — No. of Units: 1

788 E BUTTERNUT RD, SUMMERVILLE, SC 29483

Legal Description of Subject Property (attach description if necessary) — Year Built:

TMS: 1260000090

Purpose of Loan: [X] Purchase [ ] Construction [ ] Other (explain). Property will be: [X] Primary Residence [ ] Secondary Residence [ ] Investment

[ ] Refinance [ ] Construction-Permanent

Complete this line if construction or construction-permanent loan.

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	$	$	$	$	$

Complete this line if this is a refinance loan.

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	[ ] made [ ] to be made
	$	$		Cost: $	

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
DOREEN C CROSS STEPHEN C DUDEK	JTWROS	[X] Fee Simple [ ] Leasehold (show expiration date)

Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain).

LIQUID ASSETS

III. BORROWER INFORMATION

Borrower

Borrower's Name (include Jr. or Sr. if applicable)

DOREEN C CROSS

Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School
[redacted]	843-[redacted]	[redacted]	

[ ] Married [ ] Unmarried (include single, divorced, widowed) Dependents (not listed by Co-Borrower) no. 0 ages

[X] Separated

Present Address (street, city, state, ZIP) [ ] Own [ ] Rent 27.00 No. Yrs. Other

236 CADY DRIVE
SUMMERVILLE, SC 29483

Mailing Address, if different from Present Address

236 CADY DRIVE
SUMMERVILLE SC 29483

If residing at present address for less than two years, complete the following:

Former Address (street, city, state, ZIP) [ ] Own [ ] Rent ____ No. Yrs.

Co-Borrower

Co-Borrower's Name (include Jr. or Sr. if applicable)

STEPHEN C DUDEK

Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School
[redacted]	843-[redacted]	[redacted]	

[ ] Married [X] Unmarried (include single, divorced, widowed) Dependents (not listed by Borrower) no. 0 ages

[ ] Separated

Present Address (street, city, state, ZIP) [ ] Own [ ] Rent 13.00 No. Yrs. Other

236 CADY DRIVE
SUMMERVILLE, SC 29483

Mailing Address, if different from Present Address

Former Address (street, city, state, ZIP) [ ] Own [ ] Rent ____ No. Yrs.

IV. EMPLOYMENT INFORMATION

Borrower

Name & Address of Employer	Self Employed	Yrs. on this job	Yrs. employed in this line of work/profession
TRIDENT TECHNICAL COLLEGE 7000 RIVERS AVE CHARLESTON SC 29406	[ ]	12.00	15.00
Position/Title/Type of Business	**Business Phone (incl. area code)**		
INSTR. TECH.	843-[redacted]		

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

Name & Address of Employer	Self Employed	Dates (from - to)	Monthly Income
	[ ]		$
Position/Title/Type of Business	**Business Phone (incl. area code)**		

Name & Address of Employer	Self Employed	Dates (from - to)	Monthly Income
	[ ]		$
Position/Title/Type of Business	**Business Phone (incl. area code)**		

Co-Borrower

Name & Address of Employer	Self Employed	Yrs. on this job	Yrs. employed in this line of work/profession
MAPS 2601 CROSSWAYS BLVD STE E CHESAPEAKE VA 23320	[ ]	.50	15.00
Position/Title/Type of Business	**Business Phone (incl. area code)**		
TECHNICAL SERVICES NETWOR	[redacted]		

Name & Address of Employer	Self Employed	Dates (from - to)	Monthly Income
PROSOFT 280 LYNNHAVEN PKWY STE 450 VIRGINIA BEACH VA 23452	[ ]	11/01/10 04/01/12	$ [redacted]
Position/Title/Type of Business	**Business Phone (incl. area code)**		
COMP. SYSTEM	757-[redacted]0		

Name & Address of Employer	Self Employed	Dates (from - to)	Monthly Income
	[ ]		$
Position/Title/Type of Business	**Business Phone (incl. area code)**		

Initials: DC SC

V. MONTHLY GROSS AND COMBINED HOUSING EXPENSE INFORMATION

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	$ [redacted]	$ [redacted]	$ [redacted]	Rent	$	
Overtime				First Mortgage (P&I)	[redacted]	$ [redacted]
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		[redacted]
Dividends/Interest				Real Estate Taxes		[redacted]
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)		[redacted]	[redacted]	Homeowner Assn. Dues		
				Other		
Total	$ [redacted]	$ [redacted]	$ [redacted]	Total	$ [redacted]	$ [redacted]

* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income. Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower(s) or Co-Borrower(s) do not choose to have it considered for repaying this loan.

B/C		Monthly Amount
C	Pension	$ [redacted]

VI. ASSETS AND LIABILITIES

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower Section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed [X] Jointly [ ] Not Jointly

ASSETS Description	Cash or Market Value
Cash deposit toward purchase held by:	$ [redacted]
List checking and savings accounts below	
Name and address of Bank, S&L, or Credit Union: NAVY FEDERAL CREDIT UNION, 4925 LACROSS DR, N CHARLESTON SC 29418	
Acct. no. [redacted]	$ [redacted]
Name and address of Bank, S&L, or Credit Union: SC FEDERAL CREDIT UNION, PO BOX 190012, NORTH CHARLESTON SC 29419-9012	
Acct. no. [redacted]	$ [redacted]
Name and address of Bank, S&L, or Credit Union: SC FEDERAL CREDIT UNION, PO BOX 190012, NORTH CHARLESTON SC 29419-9012	
Acct. no. [redacted]	$ [redacted]
Name and address of Bank, S&L, or Credit Union	
Acct. no.	$
Stocks & Bonds (Company name/number & description)	$
Life insurance net cash value	$
Face amount: $	
Subtotal Liquid Assets	$ [redacted]
Real estate owned (enter market value from schedule of real estate owned)	$ [redacted]
Vested interest in retirement fund	$ [redacted]
Net worth of business(es) owned (attach financial statement)	$
Automobiles owned (make and year)	$
Other Assets (itemize)	$
Total Assets a.	$ [redacted]

LIABILITIES Name and address of Company	Monthly Payment & Months Left to Pay	Unpaid Balance
CAPITAL 1 FA, 3901 DALLAS PKWY, PLANO, TX 75093	$ Payment/Months	$
Acct. no. [redacted]	[redacted]	[redacted]
Name and address of Company: CHASE ADVANTAGE, 201 N. WALNUT ST DEL 1027, WILMINGTON, DE 19801	$ Payment/Months	$
Acct. no. [redacted]	[redacted]	[redacted]
Name and address of Company: 1ST FED CHAS, 2440 MALL DR, CHARLESTON, SC 29418	$ Payment/Months	$
Acct. no. [redacted]	[redacted]	[redacted]
Name and address of Company	$ Payment/Months	$
Acct. no.		
Name and address of Company	$ Payment/Months	$
Acct. no.		
Name and address of Company: NAVY FCU, ONE SECURITY PLACE, MERRIFIELD, VA 22119	$ Payment/Months	$
Acct. no. 4060985994767238	[redacted]	[redacted]
Name and address of Company: See Continuation Sheet for details	$ Payment/Months	$
Acct. no. SUB-TOTAL:	[redacted]	[redacted]
Alimony/Child Support/Separate Maintenance Payments Owed to:	$	
Job Related Expense (child care, union dues, etc.)	$	
Total Monthly Payments	$ [redacted]	
Net Worth (minus)	$ [redacted]	Total Liabilities b. $ [redacted]

Initials: [redacted]

Uniform Residential Loan Application
Fannie Mae/Freddie Mac
VMP-6A
Wolters Kluwer Financial Services

Fannie Mae Form 1003 7/05 (Rev. 6/09)
Freddie Mac Form 65 7/05 (Rev. 6/09)
VMP® (800)521-7291
Page 3 of 4

V. ASSETS AND LIABILITIES (cont'd)

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
236 CADY DR SUMMERVILLE SC	SFD	[redacted]	[redacted]		[redacted]		
1863, SANTA FE RD, BLACK CA	LAND	$ [redacted]	$ [redacted]	$	$	$ [redacted]	$
REDBURG RD REDBURG SC	SFR	[redacted]	[redacted]			[redacted]	
	Totals	$ [redacted]	$ [redacted]	$	$ [redacted]	$ [redacted]	

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name | Creditor Name | Account Number

VI. DETAILS OF TRANSACTION

a. Purchase price	$ 303000.00
b. Alterations, improvements, repairs	
c. Land (if acquired separately)	
d. Refinance (incl. debts to be paid off)	
e. Estimated prepaid items	3087.16
f. Estimated closing costs	5135.00
g. PMI, MIP, Funding Fee	
h. Discount (if Borrower will pay)	
i. Total costs (add items a through h)	311222.16
j. Subordinate financing	
k. Borrower's closing costs paid by Seller	5000.00
l. Other Credits (explain) Cash Deposit	1000.00
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	242400.00
n. PMI, MIP, Funding Fee financed	
o. Loan amount (add m & n)	242400.00
p. Cash from/to Borrower (subtract j, k, l & o from i)	62822.16

VII. DECLARATIONS

If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	Borrower Yes	Borrower No	Co-Borrower Yes	Co-Borrower No
a. Are there any outstanding judgments against you?		XX		XX
b. Have you been declared bankrupt within the past 7 years?		XX		XX
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?		XX		XX
d. Are you a party to a lawsuit?		XX		XX
e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)		XX		XX
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.		XX		XX
g. Are you obligated to pay alimony, child support, or separate maintenance?		XX		XX
h. Is any part of the down payment borrowed?		XX		XX
i. Are you a co-maker or endorser on a note?		XX		XX
j. Are you a U.S. citizen?	XX		XX	
k. Are you a permanent resident alien?		XX		XX
l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	XX		XX	
m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? (2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	XX			XX
	PR			
	O			

VIII. ACKNOWLEDGEMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to relying upon any misrepresentation that I have made on this application, and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") is to be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its agents, brokers, insurers, servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicer, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the fair market value of the property; and (11) any transmission of this application as an "electronic record" containing my "electronic signature" as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Although I agree that each of the undersigned hereby acknowledges that any owner of the Loan, its servicer, successors or assigns may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X [signature]	12/10/12	X [signature]	12/10/12

IX. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER	☐ I do not wish to furnish this information.	CO-BORROWER	☐ I do not wish to furnish this information.
Ethnicity:	☐ Hispanic or Latino ☐ Not Hispanic or Latino	Ethnicity:	☐ Hispanic or Latino ☐ Not Hispanic or Latino
Race:	☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White	Race:	☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White
Sex:	☒ Female ☐ Male	Sex:	☐ Female ☒ Male

To be Completed by Loan Originator:

This information was provided:
☐ In a face-to-face interview ☐ By the applicant and submitted by fax or mail
☐ In a telephone interview ☒ By the applicant and submitted via e-mail or the Internet

Loan Originator's Signature: X [signature]		Date: 12/10/12
Loan Originator's Name (print or type): WILLIAMS, ALLISON	Loan Originator Identifier: 0000000507897	Loan Originator's Phone Number (including area code): 888-529-2220
Loan Origination Company's Name: FIRST FEDERAL BANK	Loan Origination Company Identifier: 565167	Loan Origination Company's Address: 2440 MALL DRIVE NORTH CHARLESTON, SC 29406

Uniform Residential Loan Application
Freddie Mac Form 65 Fannie Mae Form 1003
VMP ©
Wolters Kluwer Financial Services

Freddie Mac Form 65 1/05 (Rev. 6/09)
Fannie Mae Form 1003 1/05 (Rev. 6/09)
VMP-7A (0907).05
Page 5 of 6

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower: DOREEN C CROSS	Agency Case Number:
	Co-Borrower: STEPHEN C DUDEK	Lender Case Number: NI2AW08756

Liabilities and Pledged Assets

B/C	Company/Address	Account Number	Payment/Months	Unpaid Balance
C	NAVY FCU ONE SECURITY PLACE, MERRIFIELD, VA 22119	[redacted]	[redacted]	[redacted]
C	USAA	[redacted]	[redacted]	[redacted]
SUB-TOTAL:			[redacted]	[redacted]

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature:	Date	Co-Borrower's Signature:	Date
X Doreen C Cross	12/10/12	X Stephen C Dudek	12/10/12

Initials: _____

First Financial Holdings
Loan Number Generator

Success! The loan number 7100323356 has been assigned to CROSS on 12/12/2012 12:26:15 PM.

Add another loan number | Search Loan Number Database | Search Loan Service Database

For questions, submit a Help Desk ticket or call 528.5453 for immediate assistance.

First Federal

Dear Ms. Cross & Mr. Dudek

As we discussed, I am forwarding your application to our loan processing team. You can expect a call from the loan processor within 3 days of receipt of this letter. They will review with you the status of your application and provide you with information on what the next steps will be.

Attached is the Loan Application Checklist which includes the items we still need from you. If we receive the listed documents within 48 hours, we would anticipate a closing date by 12/31/12 unless unforeseen issues arise. Please forward the listed items directly to our Operations Center located at 2440 Mall Drive, Charleston, SC 29406, Attention Mortgage Processing Team #1 or to me.

If you have any questions, please feel free to contact me at (843)529-5894 or awilliams@firstfederal.com. My fax number is (843)875-1338.

Sincerely,

Allison Williams
Mortgage Loan Officer

First Federal Customer Loan Application Checklist

Customer Name: Cross/Duclek Date: 12/5/12

Thank you for your application. To expedite the loan process and to deliver a timely closing, we need the following documents delivered to us within 48 hours. If delivered within that time period, we anticipate a closing by 1/9/13 unless other unforeseen issues arise.

We will do everything within our control to deliver a timely closing as part of our service commitment to you. However, if we do not receive these items within 48 hours we may need to adjust your closing date accordingly.

The following information is required to begin processing your application.

- ___ Application Deposit:
- ___ Current Pay Stubs:
- ___ W2 - most recent:
- ___ Copy of Driver's License
- ___ Two most recent years federal personal tax returns, signed/dated:
- ___ Self-Employed: Two most recent years federal business tax returns, signed/dated:
- ___ Self-Employed: YTD Profit and Loss (P&L) statement signed by accountant:
- ___ Most recent 30 day complete bank statement:
- ___ Copy of rental/lease agreement:
- ✓ Copy of divorce decree/child support agreement: Separation agreement
- ___ Letter explaining credit issue(s):
- ___ Copy of executed purchase contract:
- ✓ Copy of cancelled earnest money check: front & back
- ___ Copy of builder contract/building plans:
- ___ Completed gift letter:
- ___ Homeowners insurance quote & declarations page:
- ___ Copy of most recent property tax statement:
- ___ Copy of deed:
- ✓ Completed disclosures/redisclosures: Sent 12/6/12
- ___ EAL: Leave Open ___ Close EAL ___ Open New EAL $
- ___ Other:
- ✓ Other: letter explaining what you'll do with Cash Dr Property
- ___ Other:
- ✓ Other: Signed contract extension
- ___ Other:
- ___ Appraisal Type: 1004

Best contact method: Phone ___ E-Mail ___
Home ___ Work ___ Cell ___ # 574-6456
Email Address: doreen.cross@tridenttech.edu

Please return these documents to the First Federal's Corporate Center:
First Federal 2440 Mall Dr Charleston, SC 29406 Attn: Mortgage Processing Team #1

Rode, Kathryn (Kay)

From: Cross,Doreen <Doreen.Cross@tridenttech.edu>
Sent: Wednesday, January 30, 2013 9:18 AM
To: Rode, Kathryn (Kay)
Cc: 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220'; 'davidacollins2@aol.com'
Subject: RE: 788 E Butternut -Cross-Dudek
Attachments: contactDcollins.jpg

Ms. Rode,

Thank you for bringing this request to our attention. Stephen and I would like to direct any questions from Mr. Willis regarding this matter to Mr. David Collins *(contact information attached)*.

Sincerely,

Doreen Cross
843.534.3733

LAW FIRM OF DAVID A. COLLINS, LLC

DAVID A. COLLINS
DAVIDACOLLINS2@AOL.COM

P.O. Box 40578
CHARLESTON, SC 29423

843-760-0220
FAX(843-552-2878

From: Rode, Kathryn (Kay) [mailto:krode@Firstfederal.com]
Sent: Wednesday, January 30, 2013 8:23 AM
To: Cross,Doreen
Subject: FW: 788 E Butternut -Cross-Dudek

Call me with any questions.

Kay Rode
Mortgage Processing Team Leader
First Federal
2440 Mall Drive, Suite 100
Charleston, SC 29406
Phone: (843) 529-5661
Fax: (843) 737-7257
krode@firstfederal.com

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AGREEMENT TO BUY AND SELL REAL ESTATE
RESIDENTIAL

© Carolina One Real Estate

1. **PARTIES:** This legally binding Agreement entered into on October 20, 2012 between, Buyer(s), Stephen Dudek, Doreen Cross (hereinafter called "BUYER"), and Seller(s), _____ (hereinafter called "SELLER"). The property shall be deeded in the name(s) of: TBD

THE ☐BUYER ☐SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PROPERTY TO BE SOLD:** Subject to terms and conditions herein, Seller agrees to sell and Buyer agrees to buy the following described property with improvements and fixtures thereon:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

Seller represents that the property is connected to ☐public sewer system or to ☒septic tank or to ☒public water or to ☒well system or to ☐other _____

No personal property will convey as a part of this sale, except as described: All appliances including refrigerator as well as all window treatments.

3. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title unmarketable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by marketable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein stated. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before ~~30 December 01~~ 2012, not later than 9:00 p.m. **Time is of the essence.** Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

4. **POSSESSION:** Possession of said property will be given to Buyer at the time of closing. Seller agrees to deliver property free of debris and in a clean condition. The property, including but not limited to, landscaping and lawn, shall be maintained in the same condition from the effective date of this agreement until possession is delivered, ordinary wear and tear excepted. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a separate agreement to be executed prior to closing or occupancy.

5. **PURCHASE PRICE** shall be $ ~~285,000.00~~ 303,000.00 Three hundred three Thousand ~~Two Hundred Ninety Five Thousand~~ 00/100 dollars.

6. **METHOD OF PAYMENT:** Purchase price shall be paid as follows: ☐Cash; or ☒Subject to Financing. Financing to be obtained by ☒Conventional ☐Seller ☐VA ☐FHA ☐Other terms: _____

7. **EARNEST MONEY:** This offer is accompanied by an earnest money deposit of $ 1,000.00 Buyer and Seller authorize Carolina One Real Estate as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by ☐Cash, ☒Check, or ☐ Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer.

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See other copy for Signatures

Legible copy

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THE PARTIES UNDERSTAND THAT, UNDER ALL CIRCUMSTANCES, INCLUDING DEFAULT, THE ESCROW AGENT HOLDING THE EARNEST MONEY DEPOSIT WILL NOT DISBURSE IT TO EITHER PARTY UNTIL BOTH PARTIES HAVE EXECUTED AN AGREEMENT AUTHORIZING THE DISBURSEMENT OR UNTIL A COURT OF COMPETENT JURISDICTION HAS DIRECTED A DISBURSEMENT.

8. **LOAN PROCESSING AND APPLICATION:** Buyer's obligation under this agreement is contingent on Buyer obtaining said loan. Buyer shall apply for a maximum 90.000 % loan (loan-to-value ratio) within 10 consecutive days from the execution of this Agreement and shall provide Seller with written satisfactory loan approval within 20 consecutive days that contains no credit, income, or asset conditions, unless otherwise set forth in this contract. Time is of the essence. Should the Buyer fail to make loan application or receive approval within said period, and to diligently pursue the application, the Seller shall have the option to terminate this Agreement, with written notice. Buyer also agrees to provide all documents or information requested by the lending company in a prompt and timely manner. Buyer will take any action that is needed or requested by Lender to process the loan application. Buyer further hereby gives permission to Lender to disclose pertinent information concerning the Buyer's credit-worthiness or any other information needed for the loan processing to the listing or cooperating broker(s) or agent(s). If Buyer fails to comply with these above contingencies, Buyer shall be in default of this agreement subject to the terms of paragraph 16.
FHA Mortgage Insurance ☐will ☐will not be added to the mortgage. VA funding fee ☐will ☐will not be added to the mortgage.

9. **CLOSING COSTS:** Unless otherwise agreed, closing costs, including all loan charges and prepaid recurring items, shall be paid as follows:
(a) SELLER shall provide or pay for preparation of deed, any recording charge based on value of property, and all costs necessary to deliver a marketable title, including recording of satisfactions and property taxes to the day of closing.
(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, survey, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's hazard insurance policy shall provide coverage as required by lender. Other terms: Seller to Contribute $5,000 towards Buyers Closing Costs.

10. **HOME PROTECTION PLAN COVERAGE:** Both parties understand that a third party home warranty Plan ☒will ☐will not be issued at closing. If applicable, the warranty premium will be paid at closing by the ☐Buyer or ☒Seller not to exceed $ 700.00 AHS provided by Carolina One.

11. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at 6 o'clock p M. on October 22, 2012 unless accepted or countered by Seller in written form prior to such time. Time is of the essence.

12. **EXTENSION AGREEMENT:** If the transaction has not closed within the stipulated time limit because a contingency has not been satisfied through no fault of either party, then both parties agree to extend this agreement for a period not to exceed 15 consecutive days from the original closing date. Closing shall occur within this time extension, but in no event shall closing occur later than the above extension date. Time is of the essence.

13. **ADJUSTMENTS:** Taxes, water, all sewer assessments, sewer charges, fuel oil, rents as when collected, insurance premiums, if applicable, and other assessments, including homeowner's association fees, shall be adjusted as of the date of closing. Tax prorations pursuant to this Agreement are to be based on the tax information available on the date of closing, and are to be prorated on that basis. **BUYER TO BE RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.** The ☐ Buyer or the ☒ Seller shall pay for the cost of any Certificate of Assessment, or other similar document, made available, if applicable. Property taxes and rent, as well as other expenses and income of the property, if applicable, shall be apportioned to the date of closing. Annual expenses or income shall be apportioned using 365 days. Monthly property expenses or income shall be apportioned by the number of days in month of closing. Prorations at closing shall be final.

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

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16. **DEFAULT:** If Buyer or Seller fails to perform any covenant of this Agreement, the other may elect to seek any remedy provided by law, including but not limited to attorney fees and actual costs incurred (as defined in paragraph 17), or terminate this Agreement with a five day written notice. If terminated, both parties shall execute a written release of the other from this contract and both shall agree to hold the Escrow Agent harmless. If either Buyer or Seller refuses to execute release, Escrow Agent will hold the earnest money in trust until said releases are executed or until a court of competent jurisdiction dictates legal disposition.

17. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Buyer, Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, and Broker's fee or commission for this sale.

18. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate hazard insurance coverage effective with the time of closing. All hazard insurance to be canceled and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement. Flood insurance, if required by Lender at Buyer's option, shall be assigned to Buyer with permission of carrier, and premium prorated to date of closing.

19. **CONDITION OF PROPERTY:**

(A) **Seller's Property Condition Disclosure Statement:** (check one)

☐ Buyer and Seller agree that Seller will not complete nor provide Buyer a Seller's Property Condition Disclosure statement in accordance with South Carolina Code of Laws, as amended, Section 27-50-30, Paragraph (13).

☒ Buyer and Seller agree that a Seller's Property Condition Disclosure statement, as required by South Carolina Code of Laws, as amended, Section 27-50-10, et.seq., has been provided to Buyer by Seller prior to the ratification of this agreement. If the Seller discovers, after his delivery of a disclosure statement to a Buyer, a material inaccuracy in the disclosure statement or the disclosure is rendered inaccurate in a material way by the occurrence of some event or circumstance, the Seller shall correct promptly the inaccuracy by delivering a corrected disclosure statement to the Buyer or make reasonable repairs necessitated by the occurrence before closing. Buyer understands that the Seller's Property Condition Disclosure statement is not intended to replace a professional home inspection. Buyer understands and agrees that the Seller's Property Condition Disclosure statement contains statements made solely by the Seller. The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure statement. The Buyer and Seller understands and agrees that the Listing and Selling Broker and all affiliated agents have fully met the requirements of Section 27-50-70 of the South Carolina Code of Laws, as amended.

(B) **Inspection:** Buyer at Buyer's expense shall have the privilege and responsibility of inspecting the structure, square footage, environmental concerns including but not limited to mold, radon gas, lead-based paint and lead-based paint hazards, wetlands study, appurtenant buildings, heating, air conditioning, electrical and plumbing systems as well as built-in appurtenant equipment or appliances. All inspections shall be completed by November 20, 2012. In the event repairs are necessary to place the heating system, air conditioning, plumbing, and electrical system to be conveyed in operative condition and to make the roof free of leaks, and the dwelling structurally sound, the Seller shall be notified in writing of the specific defects or deficiencies within 48 hours after the inspection date mentioned above. Time is of the essence. If Buyer fails to notify Seller within this time, Buyer shall have waived any and all rights under the terms of this paragraph. If Lender's commitment requires any additional inspections or certifications, these are to be provided by Buyer.

(C) **Maintenance:** After any inspection by Buyer and after repairs, if any, made as a result of any such inspection, the Seller agrees to maintain the heating, air conditioning, plumbing, and electrical systems, as well as all appliances to be conveyed in operative condition, normal wear and tear excepted, until the day of closing or the day possession is given, whichever occurs first. Seller agrees to maintain the property, including lawn, shrubbery and grounds until the day of closing or possession, whichever occurs first.

(D) **Wood Infestation Report:** If the property to be sold has been previously occupied, ☐ The Buyer ☒ The Seller shall, at their expense, have the property inspected and shall obtain a current Wood Infestation Report (CL100) from a licensed and bonded pest control operator, on or before November 30, 2012, **Time is of the essence.** If Buyer is responsible for having the property inspected as indicated above, but fails to have the property inspected by this date, Buyer shall have waived any and all rights under the terms of this paragraph. The Seller makes no warranties with regard to matters covered by such report or any other improvement unless specifically stated in this agreement. If the infestation report reveals the presence of or damage by termite infestation or other wood destroying organisms, Seller shall

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remedy such deficiencies, subject to section (E) below, and shall furnish Buyer with a report of a qualified inspector that property is free from infestation or damage herein mentioned or that infestation or damage has been treated and/or repaired as appropriate in a workmanlike manner on or before closing.
If the property to be sold has not been previously occupied, Seller shall certify that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms and shall provide the Buyer, at closing, a written certification from a licensed pest control operator.

(E) **Repairs:** The cost of all repairs to heating system, air conditioning, plumbing, and electrical system to be conveyed, and to make the roof free of leaks, to address environmental concerns and to make the dwelling structurally sound and provide wood infestation treatment, if any, required by section (B) and (D) above, to be paid by Seller. If the Seller refuses to make these repairs and treatment, the Buyer shall have the option to (1) accept the property in its present condition, (2) negotiate with the Seller for the payment of these repairs and treatment, or (3) terminate this Agreement, subject to paragraph 7. The repairs to any other items are the sole responsibility of Buyer. The obligations of Seller under paragraph 19 terminate on the day of closing or on the day possession is given, whichever occurs first.

(F) **Residential Dwellings Built before 1978:** (check one of the following)

☐ This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards which shall be done, at the Buyer's expense, by midnight on the tenth day after ratification of this contract or by midnight on _____ (Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information). This contingency will terminate at the above predetermined deadline unless the Buyer (or Buyer's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Buyer with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Buyer shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Buyer shall be returned to Buyer and neither party shall have any further rights hereunder. The Buyer may remove this contingency at any time without cause; or

☐ Buyer waives the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards.

(G) **Megan's Law:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

(H) **Disclaimer:** The Buyer acknowledges the Seller, except as provided in subparagraphs (B), (C), (D), and (E) of this section, gives no guarantee or warranty of any kind, expressed or implied, as to the physical condition of the property or to the conditions of or existence of improvements, services, appliances or system thereto, or as to merchantability or fitness for a particular purpose as to the property or improvements thereof, and any implied warranty is hereby disclaimed by the Seller.
Neither Buyer nor Seller will hold Cooperating or Listing Broker responsible for any act of negligence or intent by any inspection or repair company employed by Seller or Buyer for the purposes of this agreement. The Seller is not required to make any repairs under any circumstances until Purchaser's financing has been approved.

20. **APPRAISED VALUE:** (check one)

☐ This agreement is not contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lenders appraisal or other appraisal as agreed, for the selling price.

☒ This agreement is contingent on the lot or parcel with building and improvements thereon, if any, appraising, according to the lender's appraisal or other appraisal as agreed, for the selling price or more; if the lot or parcel with building and improvements thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of

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proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

21. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property or as to condition of or existence of improvement services or systems, thereto, included but not limited to termite damage, roof, basement, appliances, heating and air conditioning systems, plumbing, sewage, electric systems, and to the structure; (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; (4) Give no guaranty or warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published square footage of the property; (5) Buyer acknowledges that Seller and Seller's Agents have not made any oral or written commitments to Buyer regarding (a) projected income or economic benefit for Buyer from rentals; (b) rental arrangements except that Buyer may rent the unit if Buyer so desires or (c) other economic benefits to the Buyer.

22. **COASTAL TIDELANDS & WETLANDS ACT:** In the event the property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at ☐ Buyer's ☒ Seller's expense.

23. **MEDIATION CLAUSE.** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

This mediation clause shall survive for a period of 120 days after the date of the closing. The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of a interpleader action to resolve earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

25. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall inure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

26. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

27. **TRUST ACCOUNT INTEREST/CHARITABLE CONTRIBUTION: According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until the closing of the transaction referenced in this agreement. It is understood that Broker ☒ may ☐ may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.**

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28. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

29. **CONTINGENCIES:** These stipulations shall preempt printed matter herein: (attach and reference addendum if necessary) See attached addendum A, B + C

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

ALL TERMS AND CONDITIONS OF THIS AGREEMENT DO NOT SURVIVE CLOSING UNLESS OTHERWISE SPECIFIED.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudak Date 21 OCT 2012 Time 1:45

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

BUYER: Doreen Cross Date 10 2012 Time 1:47

WITNESS: Susan Nicholson Date 10.20.12 Time 1:48

SELLER: _____ Date _____ Time _____

WITNESS: _____ Date _____ Time _____

SELLER: _____ Date _____ Time _____

WITNESS: _____ Date _____ Time _____

LISTING AGENT AND COMPANY Rick Willis The Group, LLC

SELLING AGENT AND COMPANY Susan Nicholson Carolina One Real Estate

SELLING AGENT IS PRESENTING THIS OFFER AS A ☒ BUYER'S AGENT OR ☐ SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGMENT Susan Nicholson Carolina One Real Estate

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ADDENDUM A

© Carolina One Real Estate

In reference to ☒ AGREEMENT TO BUY AND SELL REAL ESTATE, ☐ RESIDENTIAL RENTAL AGREEMENT, ☐ COUNTER OFFER, ☐ OTHER _____ covering the ☐ real property, ☐ business, ☐ premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

The undersigned Parties hereby agree as follows:

1. Buyer total satisfaction of home inspection and CL100. 2. Seller to make free all liens and clear, insurable and marketable title. 3. Seller to have all utilities on the home for buyer to have a home inspection done. 4. Seller to provide any and all paperwork of septic tank. If septic tank hasn't been service in the past yr. then Seller agrees to have it serviced. 5. Seller agrees to have the property subdivided to include in this sale the 3340 sf house, storage bldg and 6 acres. Any costs will be the responsibility of the Seller. Seller to give copies of any and all paperwork of this process to include copies of the survey. Cont. next pg. (B) 4 C.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

BUYER: Stephen Dudek	Date 21 OCT 2012	Time 1:45 pm
WITNESS: Susan Nicholson	Date 10-20-12	Time 1:48 pm
BUYER: Doreen Cross	Date 10/20/12	Time 1:47 pm
WITNESS: Susan Nicholson	Date 10-20-12	Time 1:48 pm
SELLER: _____	Date _____	Time _____
WITNESS: _____	Date _____	Time _____
SELLER: _____	Date _____	Time _____
WITNESS: _____	Date _____	Time _____

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Carolina One Real Estate - Trolley Road 1530 Old Trolley Road Summerville, SC 29483
Phone: 8434191015 Fax: 8432023169 Susan Nicholson 145 Browning

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ADDENDUM B

© Carolina One Real Estate

In reference to [X] AGREEMENT TO BUY AND SELL REAL ESTATE, [ ] RESIDENTIAL RENTAL AGREEMENT, [ ] COUNTER OFFER, [ ] OTHER _____ covering the [ ] real property, [ ] business, [ ] premises — commonly known as:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E Butternut Rd.

Tax Map # 120-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina:

The undersigned Parties hereby agree as follows:

Also, remaining property that is subdivided from this sale shall have restrictions of NO MOBILE HOMES allowed. 7. If Seller has a current termite bond then Seller shall transfer to Buyer at no cost to Buyer. 8. Seller to re-do SC Sellers Disclosure due to not legible of what is currently on the MLS. 9. Seller to leave current 3 ac. fencing paddock where it currently is. 10. Seller to leave any and all materials used in construction of home to included but not limited to wood flooring material, fence material, etc.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties.

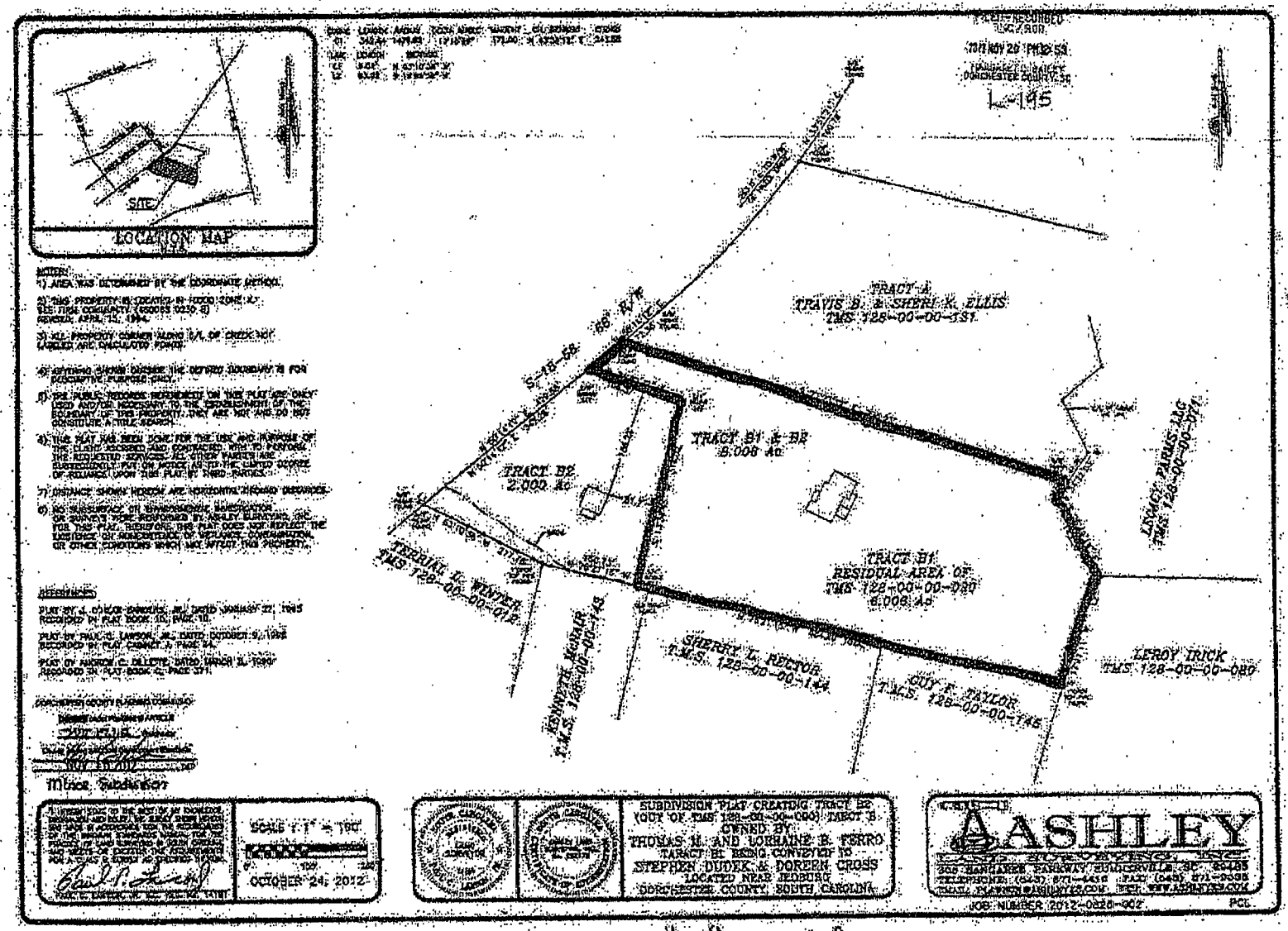
BUYER: Stephen Dudek	Date 2 OCT 2012	Time 1:45 pm
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
BUYER: Doreen Cross	Date 10.2012	Time 1:47 pm
WITNESS: Susan Nicholson	Date 10.20.12	Time 1:48 pm
SELLER:	Date	Time
WITNESS:	Date	Time
SELLER:	Date	Time
WITNESS:	Date	Time

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LOCATION MAP
SITE
FILED-RECORDED
2012 NOV 29 PM 12:53
L-195
TRACT A
TRAVIS D. & SHERI K. ELLIS
TMS 128-00-00-151
TRACT B1 & B2
6.008 Ac
TRACT B2
2.000 Ac
TRACT B1
RESIDUAL AREA OF
TMS 128-00-00-030
6.008 Ac
LEMAC PARKS LLC
TMS 128-00-00-077
TERRAL L. WINTER
TMS 128-00-00-012
KENNETH MCNAIR
TMS 128-00-00-145
SHERRY L. RECTOR
T.M.S. 128-00-00-144
GUY T. TAYLOR
T.M.S. 128-00-00-145
LEROY TRICK
TMS 128-00-00-080
S-18-68
Minor Subdivision
SCALE 1" = 100'
OCTOBER 24, 2012
SUBDIVISION PLAT CREATING TRACT B2
(OUT OF TMS 128-00-00-030) TRACT B
OWNED BY
THOMAS H. AND LORRAINE B. FERRO
TARACT B1 BEING CONVEYED TO
STEPHEN DUDEK & DOREEN CROSS
LOCATED NEAR JEDBURG
DORCHESTER COUNTY, SOUTH CAROLINA
ASHLEY
JOB NUMBER 2012-0828-002

Addendum "C"

FILE TO CLOSING REQUIREMENTS

Closing Date:_____ tentative or set _____ Time:_____ Is this a "short sale"? Y/N
Closing Date has been confirmed by attorney: _____yes _____no
Closing Package Needed by:_____(If prior to the closing date, use this date as the date to calculate the 48/72 business hours)

Please complete items that have been completed. If the item does not apply, please write n/a.

_____Complete property address is the same on all documents (LER, flood cert, appraisal, etc.)
_____Check LTV and Escrow requirement (same on all documents)
_____Interest rate is valid
- Valid through closing and disbursement date
- Same on LER and lock agreements

_____Complete the insurance worksheet
_____Valid insurance with requirements from worksheet
_____Proof manufactured home and lot are taxed as real property
_____Verify how title is to be held
- Deed in file _____yes or _____no

_____All LER processing and PTC conditions cleared
- If not, exception approval is on LER

_____Expiration dates are completed on LER
- If the item does not apply, please write n/a

_____Title closing in a trust _____yes or _____no
_____Subordination agreement in file _____yes or _____no
- If not, requested by _____ on _____

_____Complete VOE and/or verbal VOE (form fully complete)
_____Attached appraisal, Flood Cert, final application, etc. to paperclip
_____Tax returns signed prior to closing
_____All fees on the fee receipt (including final inspection fee)
_____Complete r/e folder and labels

COMMENTS/SPECIAL INSTRUCTIONS:_____

Loan closings can occur 72 business hours from time of check in for refinance transactions and 48 business hours from time of check in for purchase transactions.

Completed by _____
Date _____

Verified by _____
Date _____ Time _____
Loan Can Close Anytime After _____
Form updated 8-23-2012

5/7/12

Uniform Residential Loan Application

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

Borrower _____ Co-Borrower _____

I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for:	Agency Case Number	Lender Case Number
[ ] VA [X] Conventional [ ] Other (explain) / [ ] FHA [ ] USDA/Rural Housing Service		7808756

Amount	Interest Rate	No. of Months	Amortization Type:		
$ 280,000.00	4.250 %	360	[X] Fixed Rate [ ] GPM	[ ] Other (explain): [ ] ARM (type):	

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state & ZIP) — Number of Units
Summerville, SC — 1

Legal Description of Subject Property (attach description if necessary) — Year Built

Purpose of Loan: [X] Purchase [ ] Construction [ ] Other (explain): / [ ] Refinance [ ] Construction-Permanent
Property will be: [X] Primary Residence [ ] Secondary Residence [ ] Investment

Complete this line if construction or construction-permanent loan.

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a+b)
	$	$	$	$	$

Complete this line if this is a refinance loan.

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	[ ] made [ ] to be made
	$	$			Cost: $

Title will be held in what Name(s) — Manner in which Title will be held — Estate will be held in: [X] Fee Simple [ ] Leasehold (show expiration date)

Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)
Checking/Savings

III. BORROWER INFORMATION — Co-Borrower

Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)
Doreen Q Cross	Stephen C Dudek

Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School	Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School
[redacted]	843-[redacted]	[redacted]		[redacted]	843-[redacted]	[redacted]	

[X] Married [ ] Separated	[ ] Unmarried (include single, divorced, widowed)	Dependents (not listed by no.	age	[X] Married [ ] Separated	[ ] Unmarried (include single, divorced, widowed)	Dependents (not listed by no.	age

Present Address (street, city, state, ZIP)		Present Address (street, city, state, ZIP)	
236 Cady Drive Summerville SC 29483	[ ] Own [X] Rent 27.00 No. Yrs.	236 Cady Drive Summerville SC 29483	[X] Own [ ] Rent 13.00 No. Yrs.
Mailing Address, if different from Present Address		Mailing Address, if different from Present Address	

If residing at present address for less than two years, complete the following:

Former Address (street, city, state, ZIP)		Former Address (street, city, state, ZIP)	
	[ ] Own [ ] Rent ____ No. Yrs.		[ ] Own [ ] Rent ____ No. Yrs.

IV. EMPLOYMENT INFORMATION — Co-Borrower

Name and Address of Employer	[X] Self Employed	Yrs. on this job	Name and Address of Employer	[ ] Self Employed	Yrs. on this job
Trident Technical College		12.00	Mid Atlantic Engineering Technical		0.08
		Yrs. Employed in this line of work/profession: 15			Yrs. Employed in this line of work/profession: 15
Position/Title/Type of Business		Business Phone (incl. area code)	Position/Title/Type of Business		Business Phone (incl. area code)
Instr. Tech.		843-574-6411	Technical Services Networ		757-512-6664

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

PLOAD.CORP

V. EMPLOYMENT INFORMATION (cont'd)

Borrower			Co-Borrower		
Name and Address of Employer	☐ Self Employed	Dates (from-to)	Name and Address of Employer ProSoft	☐ Self Employed	Dates (from-to) 11/10-04/12
		Monthly Income $			Monthly Income $ [redacted]
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business Comp. System Analyst II	Business Phone (incl. area code) 7[redacted]	
Name and Address of Employer	☐ Self Employed	Dates (from-to)	Name and Address of Employer Scientific Research Corporation	☐ Self Employed	Dates (from-to) 06/02-11/10
		Monthly Income $			Monthly Income $ [redacted]
Position/Title/Type of Business	Business Phone (incl. area code)		Position/Title/Type of Business Computer/Network Tech.	Business Phone (incl. area code) 7[redacted]	

VI. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income	$ [redacted]	$ [redacted]	$ [redacted]	Rent	$	
Overtime				First Mortgage (P&I)	[redacted]	$ [redacted]
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		82.50
Dividends/Interest				Real Estate Taxes		76.00
Net Rental Income				Mortgage Insurance		91.67
Other (before completing, See the notice in "describe other income," below)		[redacted]	[redacted]	Homeowner's Assn. Dues		
				Other:		
Total	$ [redacted]	$ [redacted]	$ [redacted]	Total	$ [redacted]	$ [redacted]

*Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income. *Notice:* Alimony, child support, or separate maintenance income need not be revealed if the Borrower(B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C		Monthly Amount
C	Pension/Retirement income	$ [redacted]
		$
		$

VII. ASSETS AND LIABILITIES

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningful and fairly presented on a combined basis; otherwise separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed ☐ Jointly ☒ Not Jointly

ASSETS Description	Cash or Market Value
Cash deposit toward purchase held by:	$ 0.00
List checking and savings accounts below	
Name and address of Bank, S&L, or Credit Union: SC Federal Credit Union	
Savings	
Acct. no.	[redacted]
Name and address of Bank, S&L, or Credit Union: SC Federal Credit Union	
Checking	
Acct. no.	[redacted]
Name and address of Bank, S&L, or Credit Union: Navy Federal Credit Union	
Checking	

Liabilities and Pledged Assets. List the creditor's name, address and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities, which will be satisfied upon sale of real estate owned or upon

LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Name and address of Company: First Federal of Charleston	$ Payment/Months [redacted]	$ [redacted]
Acct no. [redacted]	M	
Name and address of Company: 1ST FED CHAS	$ Payment/Months [redacted]	$ [redacted]
Acct no. [redacted]	Z	
Name and address of Company: NAVY FCU	$ Payment/Months [redacted]	$ [redacted]
Acct no.	R	

V. ASSETS AND LIABILITIES (cont'd)

Acct. no.	$ 10,000.00	Name and address of Company NAVY FCU	$ Payment/Months [redacted]	$ [redacted]
Name and address of Bank, S&L, or Credit Union		Acct. no.	R	
Acct. no.	$	Name and address of Company CAPITAL 1 FA	$ Payment/Months [redacted]	$ [redacted]
Name and address of Bank, S&L, or Credit Union		Acct. no.	I	
Acct. no.		Name and address of Company USAA FSB	$ Payment/Months [redacted]	$ [redacted]
Stocks & Bonds (Company name/ number & description)	$	Acct. no.	I	
Life insurance net cash value	$	Name and address of Company CHASE	$ Payment/Months [redacted]	$ [redacted]
Face amount $		Acct. no.	R	
Subtotal Liquid Assets	$ [redacted]	Name and address of Company	$ Payment/Months	$
Real estate owned (enter market value from schedule of real estate owned)	$ [redacted]	Acct. no.		
Vested interest in retirement fund	$ [redacted]	Alimony/Child Support/Separate Maintenance Payments Owed to:	$	
Net worth of business(es) owned (attach financial statement)	$	Job Related Expenses (child care, union dues, etc.)	$	
Automobiles owned (make and year)	$	Total Monthly Payments	$ [redacted]	
Other Assets (itemize)	$			
Total Assets a.	$ [redacted]	Net worth (a minus b) $ [redacted]	Total Liabilities b.	$ [redacted]

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
19xx Jadburg Road Summerville SC 29483	Farm	$ [redacted]	$ 0.00	$	$ 0.00	$ [redacted]	
238 Cady Drive Summerville SC 29483	SFR	[redacted]	[redacted]		[redacted]		
TM63, Santa Fe Rd, Black Oak Subdiv Manning SC 29483	Land	[redacted]	0.00		0.00	[redacted]	
	Totals	$ [redacted]	$ [redacted]	$	$ [redacted]	$ [redacted]	

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VI. DETAILS OF TRANSACTION

		VII. DECLARATIONS	Borrower		Co-Borrower	
a. Purchase price	$ 300,000.00	If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	Yes	No	Yes	No
b. Alterations, improvements, repairs		a. Are there any outstanding judgments against you?		[redacted]		[redacted]
c. Land (if acquired separately)		b. Have you been declared bankrupt in the past 7 years?		[redacted]		[redacted]
d. Refinance (incl. debts to be paid off)		c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?		[redacted]		[redacted]
e. Estimated prepaid items	1,664.96	d. Are you a party to a lawsuit?		[redacted]		[redacted]
f. Estimated closing costs	5,677.67	e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile home) loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details including date, name and address of Lender, FHA or VA case number, if any, and reasons for action.)		[redacted]		[redacted]
g. PMI, MIP, Funding Fee						
h. Discount (if Borrower will pay)	0.00					
i. Total costs (add items a through h)	307,742.63					

V. DESCRIPTION OF TRANSACTION

j. Subordinate Financing	
k. Borrower's closing costs paid by Seller	
l. Other Credits (explain)	
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	260,000.00
n. PMI, MIP, Funding Fee financed	
o. Loan Amount (add m & n)	260,000.00
p. Cash from to Borrower (subtract j, k, l & o from i)	67,742.63

VI. ASSETS AND LIABILITIES

If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.

	Borrower Yes	Borrower No	Co-Borrower Yes	Co-Borrower No
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes", give details as described in the preceding question.		X		X
g. Are you obligated to pay alimony, child support, or separate maintenance?		X		X
h. Is any part of the down payment borrowed?		X		X
i. Are you a co-maker or endorser on a note?		X		X
j. Are you a U.S. Citizen?	X		X	
k. Are you a permanent resident alien?	X		X	
l. Do you intend to occupy the property as your primary residence? If "Yes", complete question m below.	X		X	
m. Have you had an ownership interest in a property in the last three years?	X		X	
(1) What type of property did you own--principal residence (PR), second home (SH), or investment property (IP)?	PR		PR	
(2) How did you hold title to the home--solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	S		S	

VII. ACKNOWLEDGEMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, successors, and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of The 18 United States Code, sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a first mortgage or deed of trust on the property described on this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors or assigns, may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts which I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan indicated become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such a delinquency, report my name and account information to one or more credit reporting agency; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or the value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature" as those terms are defined in applicable federal laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X		X	

VIII. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

	Borrower	Co-Borrower
	☐ I do not wish to furnish this information	☐ I do not wish to furnish this information
Ethnicity:	☐ Hispanic or Latino ☒ Not Hispanic or Latino	☐ Hispanic or Latino ☒ Not Hispanic or Latino
Race:	☐ American Indian or Alaskan Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☒ White	☐ American Indian or Alaskan Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☒ White
Sex:	☒ Female ☐ Male	☒ Female ☐ Male

To be Completed by Interviewer
This application was taken by:
[ ] Face-to-face interview
[ ] Mail
[ ] Telephone
[X] Internet

Loan Originator's Signature		Date
X		5/7/2012
Loan Originator's Name (print or type): Allison Williams	Loan Originator Identifier: 0005050567867	Loan Originator's Phone Number (including area code): 843-529-5894
Loan Origination Company's Name: First Federal	Loan Origination Company Identifier: 505167	Loan Origination Company's Address: 2440 Mall Drive Charleston SC 29406

Continuation Sheet/Uniform Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower: Doreen C Cross	Agency Case Number:
	Co-Borrower: Stephen G Dudek	Lender Case Number: 7809768

ADDITIONAL BORROWER INFORMATION

E-Mail Address			How did borrower hear about you?
doreen.cross@ridgetech.edu			Current Customer
Borrower Daytime Phone	Borrower Credit Score	Co-Borrower Daytime Phone	Co-Borrower Credit Score
843-574-6956	813	843-218-8615	698

Additional Information Provided:

Contact Instructions, if not approved on-line:

Advisor Notes, if any:
05/07-worked, notified lo, kp

ADDITIONAL PROPERTY INFORMATION

Subject Property Type	Mo. Rent	Other Property Info.	County
Detached	$		Berkeley

Home Improvement Description:

ADDITIONAL INFORMATION FOR PURCHASE TRANSACTIONS

Is transaction a FSBO?	Seller/Broker Name	Seller/Broker Phone Number

ADDITIONAL INFORMATION FOR CONSTRUCTION TRANSACTIONS

If Lot Purchased Separately, was it purchased in Last 12 Months?	Seller/Broker Name	Builder Name
Is transaction a FSBO?	Seller/Broker Phone Number	Builder Phone Number

ADDITIONAL LOAN INFORMATION

Product Applied For	Estimated Closing Date	Escrows	Index Value	Margin	ARM Qual. Rate
1000	6/20/2012	Yes	0.000%	%	%

LOC Loan Purpose:	LOC Initial Draw Amount:
	$

App Deposit Amt:	Account Type	Account #	Rate Locked?	Rate Lock Period	Rate Lock Expiration Date
$0.00			Float	60 Day	

Exp. Date	Account Name	Send App Kit to:

Approval Result	Approval Code	

AVS Result:	Date/Time Submitted:
	5/7/2012 8:59 am CT

UNDERWRITING INFORMATION

Underwritten By:	Approved On Line	Underwriting Recommendation		LP Key Number/DU Case File ID
DU	Yes	Approve/Eligible		10738866692

If Primary AU not used, reasons:	LP Documentation Class	Credit Reference Number
		6PHMK6T6PHMK6
	If PowerApprove used and not approved reasons:	

Continuation Sheet/Uniform Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower: Dorteri D Cross	Agency Case Number:
	Co-Borrower: Stephen C Dudek	Lender Case Number: 7808765

ADDENDUM — PARTNER SPECIFIC INFORMATION

Borrower acknowledgement. I/We have read the above acknowledgement and agreement.	First Federal Employee Allison Williams

DESKTOP UNDERWRITER(R)

Transaction ID	Final Result
444409699002133527557211 3	Accept

Underwriting Approval Conditions

Loan Officer: WILLIAMS, ALLISON 10337
MLA/CAM: MADDY MCWHIRTER
Underwriter: SANDI

Permanent Loan #: 7100323356
FF Loan ID: W12AW08756
DU/LP #: 1073356662
FHA/VA #:
Broker Name:
Application Date: 12/5/12

Borrower(s): DOREEN CROSS STEPHEN C DUDEK
Property: 788 E BUTTERNUT RD SUMMERVILLE SC 29483 County: DORCHESTER

Loan Amt: $242,400
Sales Price: $ 303,000
Appraised Val: $ 303,000
Land Value: $ 80,000
Stop Sale?: N

Loan Type: C FIX 1000
Occupancy: Occupant
Purpose: Purchase
Interest Rate: 3.750 Term: 360
Impl Int Rate/P&I:
ADJ Index: Margin:

LTV: 80.00
CLTV/HCLTV 80.00 80.00
Cr Score B 803
Cr Score CoB 697
Housing Ratio: 12.62
Debt Ratio: 29.26

Lock Expiration: 2/3/13
Est. Close Date: 1/30/13
Cr Rpt Expir: 3/5/13

Verbal Expir:
Self Emp Verif Exp: N/A
Income Expiration: 2/28/13
Asset Expiration: 1/29/13
Appraisal Expir: 1/9/13

Approval Date: 12/11/12

P & I Pymt: $1122.60
Escrows Waived N
Orig Fee Buyer: $2424.00
Discount Pts: $0.00

Sp Feature Code: 127 180

PMI Company:
PMI Coverage:
PMI/MIP Mthly: 0.00
PMI/MIP fin: 0.00
VA FF: 50.00

Note signed by: DOREEN C CROSS
STEPHEN C DUDEK

Settlement Agent: AUBREY J WOODY JR

Mortgagee/Title Name: DOREEN C CROSS
STEPHEN C DUDEK

DOREEN CROSS W12AW08756

Request Date	Resp Party	Cleared By ClearDate	Description/Notes
1/18/13	ZZ	SANDI 1/18/13	Loan is declined as of 01/18/2013 - INCOMPLETE APPLICATION - NO RESPONSE TO 10 DAY LETTER.
12/17/12	ZZ	SANDI 12/17/12	Loan Approval as of 12/17/2012 in the amount of $242400. Interest rate is 3.750. LTV is 80% and DTI is 29.262%
12/11/12	ZZ	SANDI 12/11/12	Loan Approval as of 12/11/2012 in the amount of $242400. Interest rate is 3.750. LTV is 80% and DTI is 28.832%.
12/11/12	UW	SANDI 12/20/12	Fully ratified sales contract, including all pages, addenda - MISSING ADDENDUM C; SELLER NAME TO SHOW ON PAGE 1, with a sales price of 303000.00 NEED ADDENDUM C & SELLER NAMES TO SHOW ON PG 1
12/11/12	UW	SANDI 12/20/12	LEGIBLE COPY OF sales contract, including all pages, addenda with a sales price of 303000.00.
12/11/12	UW	SANDI 12/17/12	Satisfactory Appraisal with a minimum value of $303000.00.

Uwaprv5.rpt

Print Date 1/18/13

Y N Y N Y N

Request Date	Resp Party	Cleared By Clear Date	Description Notes	DOREEN CROSS	W12AW08756
12/11/12	PR	MADDY 12/12/12	Evidence 401K/IRA can be liquidated or do not list as an asset REMOVED AND REQUALIFIED WITHOUT ASSET		
12/11/12	PR		FD WATCH LIST required for the following participants of the loan LO, PROCESSOR, UW, LIST AGENT & CO, SELLING AGENT & CO, SELLER 1, SELLER 2, APPRAISER		
12/11/12	PR	MADDY 12/12/12	Active eFolk		
12/11/12	PR	MADDY 12/18/12	First Federal Disclosure to be signed		
12/11/12	PR	MADDY 12/18/12	Servicing Disclosure to be signed		
12/11/12	PR	MADDY 12/18/12	Authorization to Release to be signed		
12/11/12	PR		FraudGuard Rescore and check Undisclosed Debt Monitoring		
12/11/12	PR	MADDY 1/3/13	TRANSCRIPTS REQUIRED FOR THIS LOAN		
12/11/12	PR	MADDY 12/18/12	SIGNED INITIAL APPLICATION TO INCLUDE SUBJECT PROPERTY ADDRESS. WATCH DATES TO MAKE SURE FILE IS IN COMPLIANCE. ONLY APP IN FILE IS THE PREQUAL APP		
12/11/12	PR	MADDY 12/18/12	LOCAL EMPLOYER ADDRESS FOR COBORROWER OR CONSIDER COMMUTING COSTS AND UW TO REVIEW		

12/11/12	PR		VOE - verbal within 10 days of closing - New BORROWER1/BORROWER2
12/11/12	CL		OCCUPANCY AFFIDAVIT
12/11/12	CL		Final Application (URLA) signed by all Borrowers DOREEN C CROSS STEPHEN C DUDEK
12/20/12	CL		Hold Harmless- SEE REPAIR ADDENDUM TO SALES CONTRACT
12/11/12	CL		Escrow Account - Requested
12/11/12	CL		Drivers License/Patriot Act/W8 BEN
12/11/12	CL		Seller Contributions $5000 of closing costs/prepaids at closing
12/11/12	CL		IRS for 4506T for the following years 2010/2011 1040
12/11/12	CL		FLOOD CERTIFICATION TO BE SIGNED
12/20/12	CL		COPIES OF ALL LICENSED CONTRACTOR LETTERS TO CLEAR THE REPAIR ITEMS REQUIRED BY BORROWER PER REPAIR REQUEST ADDENDUM TO SALES CONTRACT

W12AW08754
12/05/2012

First Federal Disclosures

TO REQUEST A COPY OF YOUR APPRAISAL

In accordance with "Regulation B" Equal Opportunity Act, you have the right to a copy of the appraisal report used in connection with your application for a mortgage loan should one be ordered in your behalf. In providing you a copy of this report, First Federal cautions you that the sole purpose of this appraisal report is to provide First Federal with a required basis for underwriting your loan application. This report does not provide any assurance or warranty of the value of the property you are considering mortgaging nor does the appraiser necessarily detect or report defects which may exist in the property or the title of the property.

If an appraisal report was ordered and your loan closes, you will receive a copy of the appraisal prior to closing. If your loan should be withdrawn or declined, you may receive a copy of the appraisal report, if one was ordered, and we received a written request from you no later than 90 days from date of withdrawal or the decline action. The address to request an appraisal is First Federal C/O Mortgage Processing Center, P O Box 118068, North Charleston, SC 29406.

Insurance Disclosure

Upon loan approval, we will require that you maintain adequate property insurance, and flood insurance, if applicable, to fully cover our security interest in the property. You have the right to obtain property insurance coverage from any agent or insurance company of your choice, as provided by certain federal and state laws. First Federal's loan decision will not be conditioned upon, nor in any way influenced by, your choice of insurance agent or insurance company.

Please acknowledge if you would like to escrow or have your house payment automatically drafted. (Loan type may determine whether we must escrow or not.)

Select One

_____ **ESCROWS REQUIRED**

✓ **ESCROWS REQUESTED** *Required above 80% or as determined by First Federal's Underwriter.*

_____ **WAIVE ESCROWS** _____ **Automatic Draft House Payment**

Applicant MUST Complete: Closing Attorney AND Insurance Agent

The SC Consumer Protection Code requires that the applicant(s) shall have the right to select the attorney and property insurance agent in connection with a real estate loan. Please indicate your choice of attorney and property insurance agent. If you have not selected an attorney or insurance agent, please write TBD (TO BE DETERMINED) within the blank and we will mail another form to you to complete and return. I understand that by choosing an attorney not on the list, the Title Services costs listed on the Good Faith Estimate are subject to an increase over 10% of the amount disclosed.

Pull down

_____ **I have selected an Attorney from First Federal's Settlement Service Provider List.**
Attorney: _____ **Location:** _____
Phone #: _____

_____ **I have selected an Attorney NOT from First Federal's Settlement Service Provider List.**
Attorney: Woodby Law Firm **Location:** 597 Old Mt. Holly Rd
Phone #: 843-563-6799

_____ **I have/have not selected an Insurance Agent** USAA
(circle one) **Phone #:** 1-800-531-8111

This is to certify that I/we have read and understood the information outlined above and this form is to be made a part of my loan application package.

APPLICANT (S) MUST SIGN AND DATE BELOW:

Applicant: [signature] **Date:** 12/10/12

Applicant: [signature] **Date:** 12/10/12

ADLPGF
Rev 10/11

SETTLEMENT SERVICES PROVIDERS LIST

W12AP08756
12/05/2012

The attorneys and title agencies listed here do not have a common ownership interest with First Federal. They may or may not have a loan and/or a deposit account with is. These attorneys have been frequently used by our mortgage customers during the past year.

TRI-COUNTY AREA

NICHOLS LAW FIRM, LLC

Title Agency: West Ashley Title Agency
West Ashley
1224 Wappoo Road
Charleston, SC 29407
843-114-8668

WEEKS AND IRVINE, LLC

Title Agency: Lowcountry Title
North Charleston
8086-B Rivers Ave.
N. Charleston, SC 29406
843-553-9800
West Ashley
873 Orleans Rd., Ste 102 ½
Charleston, SC 29404
843-571-2990
Mt. Pleasant
1100 Queensborough Blvd.
Mt. Pleasant, SC 29464
843-856-9800

Goose Creek
567 Crowfield Blvd.
Goose Creek, SC 29445
843-553-9100
Summerville
106 West 7th North St.
Summerville, SC 29483
843-875-7111

DALLIS & HADGER, P.A.

Title Agency: Ashley Marion Agency/Aegis Title Services, Inc.
Contact: W. Alex Dallis, Jr.
West Ashley
1721 Ashley River Road
Charleston, SC 29407
843-763-3783
Mt. Pleasant
1100 Queensborough Blvd, Suite 200
Mt. Pleasant, SC 29464
843-763-3783
Summerville
706 N Cedar St
Summerville, SC 29483
843-763-3783

BROWNYARD LAW FIRM, PA

Title Agency: Cypress Title, Inc.
1017 Chuck Dawley Blvd Suite 200
Mt. Pleasant, SC 29464
843-884-1658

HILTON HEAD ISLAND

FRASER & ALLEN, LLC

Title Agency: J Simon Fraser, PA
10 Palmetto Business Park, Suite 102
Hilton Head Island, SC 29928
843-785-3311

LAW OFFICES OF CATHERINE WEST OLIVETT, LLC

Title Agency: Quiet Island Title, LLC
17 Executive Park Road, Suite 4
Hilton Head Island, SC 29928
843-341-9260

FIXED RATE
1000

Truth-in-Lending Disclosure Statement

Lender	Borrower	Date
FIRST FEDERAL BANK 2440 MALL DRIVE NORTH CHARLESTON, SC 29406	DOREEN C CROSS and STEPHEN C DUDEK	December 05, 2012 Loan Number WI2AW08756

☒ Preliminary
Loan Amt. $242,400
☐ Final

Property Address: 788 E. BUTTERNUT RD
SUMMERVILLE, SC 29483

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
3.868 %e	$ 165,993.00 e	$ 238,153.00 e	$ 404,136.00 e

INTEREST RATE AND PAYMENT SUMMARY

	Rate & Monthly Payment
Interest Rate	3.750 % e
Principal + Interest Payment	$ 1,122.60e
Estimated Taxes + Insurance (Escrow) ☐ Includes Private Mortgage Insurance ☐ Includes Mortgage Insurance	$ 282.87e
Total Estimated Monthly Payment	$ 1,375.47e

☐ Final Balloon Payment due : $

☐ Demand Feature. This obligation has a demand feature.
☐ This loan is payable on demand and all disclosures are based on an assumed maturity of one year.

No Guarantee to Refinance. There is no guarantee that you will be able to refinance to lower your rate and payments.

Security. You are giving a security interest in:
☒ the goods or property being purchased.
☐ (brief description of other property)

☐ collateral securing other loans with us.

Assumption. Someone buying this property
☒ cannot assume the remainder of the mortgage on the original terms.
☐ may assume, subject to conditions, the remainder of the mortgage on the original terms.

Filing/Recording Fees. $ 55.00e

Property Insurance. Property insurance may be obtained from anyone that is acceptable to Lender

e means estimate

[X] **Late Charges.** If your payment is more than 15 days late, a late charge will be assessed as follows:

5.00% of the overdue payment.

Prepayment. If you pay off your loan early, you
- [ ] may [X] will not have to pay a penalty.
- [ ] may [X] will not be entitled to a refund of part of the finance charge.

[ ] **Required Deposit.** The Annual Percentage Rate does not take into account your required deposit.

See your contract documents for any additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

You are not required to complete this agreement merely because you have received these disclosures or signed a loan application.

e means estimate

Borrower DOREEN C CROSS Date 12/10/12	Borrower STEPHEN C DUDEK Date 12/10/12
Borrower Date	Borrower Date
Borrower Date	Borrower Date

DEFINITION OF TRUTH IN LENDING TERMS

ANNUAL PERCENTAGE RATE

This is not the Note rate for which the borrower applied. The Annual Percentage Rate (APR) is the cost of the loan in percentage terms taking into account various loan charges of which interest is only one such charge. Other charges which are used in calculation of the Annual Percentage Rate are Private mortgage Insurance or FHA Mortgage Insurance Premium (when applicable) and Prepaid Finance Charges (loan discount, origination fees, prepaid interest and other credit costs). The APR is calculated by spreading these charges over the life of the loan which results in a rate generally higher than the interest rate shown on your Mortgage/Deed of Trust Note. If interest was the only Finance Charge, then the interest rate and the Annual Percentage Rate would be the same.

PREPAID FINANCE CHARGES

Prepaid Finance Charges are certain charges made in connection with the loan and which must be paid upon the close of the loan. These charges are defined by the Federal Reserve Board in Regulation Z and the charges must be paid by the borrower. Non-Inclusive examples of such charges are: Loan origination fee, "Points" or Discount, Private Mortgage Insurance or FHA Mortgage Insurance, Tax Service Fee. Some loan charges are specifically excluded from the Prepaid Finance Charge such as appraisal fee and credit report fees.

Prepaid Finance Charges are totaled and then subtracted from the Loan Amount (the face amount of the Deed of Trust/Mortgage note). The net figure is the Amount financed as explained.

AMOUNT FINANCED

The amount of interest, prepaid finance charge and certain insurance premiums (if any) which the borrower will be expected to pay over the life of the loan.

TOTAL OF PAYMENTS

The Amount Financed is the loan amount applied for less the prepaid finance charges. Prepaid finance charges can be found on the Good Faith Estimate/Settlement Statement (HUD-1 or 1A). For example, if the borrower's note is for $100,000 and the Prepaid Finance Charges total $5,000, the Amount Financed would be $95,000. The Amount Financed is the figure on which the Annual Percentage Rate is based.

INTEREST RATE AND PAYMENT SUMMARY

Discloses interest rates, principal and interest payment, taxes, insurance and PMI, MIP (if applicable) and total estimated payment.

For adjustable rate loans, additional columns explain the maximum rate during the first five years, maximum rate ever and the dates when these will occur. For loans with an introductory interest only period, the date of the first adjustment to principal and interest payment is given.

ITEMIZATION OF AMOUNT FINANCED

Loan Number: W12AW08756 Date: December 05, 2012
Loan Amount $ 242,400.00
Name of Borrower: DOREEN C CROSS and STEPHEN C DUDEK

Address of Borrower: 236 CADY DRIVE
SUMMERVILLE, SC 29483
Name of Lender: FIRST FEDERAL BANK
Address of Lender: 2440 MALL DRIVE
NORTH CHARLESTON, SC 29406
Property Address: 788 E BUTTERNUT RD
SUMMERVILLE, SC 29483

Itemization of Amount Financed of	$ 238,153.00
Amount given to you directly	$ 68,316.42
Amount paid on your account	$ 303,000.00
Amount paid to others on your behalf	
to seller	$ 303,000.00
Appraisal fee to appraiser	$ 375.00
Credit report fee to credit reporting agency	$ 30.00
Hazard insurance to insurance agency	$ 1,839.42
Flood insurance to insurance agency	$
Settlement closing fees to	$
Abstract or title search to title ins. co.	$ 300.00
Document preparation fee to	$
Misc. title fees to title co.	$
Notary fee to Owners Insurance (L647)	$ 100.00
Attorneys' fees to	$
Title insurance premium to title ins. co.	$ 775.00
Filing fee to public officials/recording	$ 55.00
Survey	$
Pest inspection	$
	$
	$
	$
	$
	$

Prepaid finance charges	
Loan origination fee	$ 2,424.00
Loan discount	$
Prepaid interest 30 days @ 24.90	$ 747.00
Mortgage insurance	$
Commitment fee	$
Buydown costs	$
Tax service fee FIRST AMERICAN	$ 69.00
Lender's inspection fee	$
Assumption fee Rate Relock (L633)	$
Amortization schedule fee	$
Underwriting fee FIRST FEDERAL	$ 600.00
Attorney fee	$ 400.00
Corelogic/Flood/Census	$ 12.00
	$
	$
	$
	$
	$
	$
Total Prepaid finance charges	$ 4,247.00

ARM INDEX: MARGIN:

DOREEN C CROSS STEPHEN C DUDEK

Hoepa Rate Spread: Hoepa Fees: Hoepa Reportable:
High Price spread: 0 High Price Loan:

INSURANCE DISCLOSURES

Upon Loan approval, we will require that you maintain adequate property insurance, and flood insurance, if applicable, to fully cover our security interest in the property. You have the right to obtain property insurance coverage from any agent or insurance company of your choice, as provided by certain federal and state laws. First Federal's loan decision will not be conditioned upon, nor in any way influenced by, your choice of insurance agent or insurance company.

First Southeast Insurance, Inc. and First Federal are affiliated companies. First Southeast Insurance, Inc. can provide you with many insurance choices. First Southeast Insurance, Inc. would appreciate the opportunity to provide you with a property insurance quote and to review all your insurance needs. To locate an agent near you, please call 1-877-590-4284.

APPLICANT MUST SIGN AND DATE BELOW

This disclosure was viewed by Doreen C Cross and Stephen C Dudek electronically on 05/07/2012 as part of the online application process.

?

SERVICING DISCLOSURE STATEMENT

Lender	Borrower	Date
FIRST FEDERAL BANK	DOREEN C CROSS and STEPHEN C DUDEK	December 5th, 2012
		Loan Number W12AW08756

2440 MALL DRIVE, NORTH CHARLESTON, SC 29406

Property Address
768 E BUTTERNUT RD
SUMMERVILLE, SC 29483

NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED.

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 et seq.). RESPA gives you certain rights under Federal law. This statement describes whether the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest, and escrow payments, if any, as well as sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. You will be given advance notice before a transfer occurs.

Servicing Transfer Information

[X] We may assign, sell, or transfer the servicing of your loan while the loan is outstanding.

[ ] We do not service mortgage loans of the type for which you applied. We intend to assign, sell, or transfer the servicing of your mortgage loan before the first payment is due.

[ ] The loan for which you have applied will be serviced at this financial institution and we do not intend to sell, transfer, or assign the servicing of the loan.

By signing below, I/we acknowledge receiving a copy of this disclosure.

(X) Doreen C Cross 12/10/12
Applicant DOREEN C CROSS Date

(X) Stephen C Dudek 12/10/12
Applicant STEPHEN C DUDEK Date

Applicant Date

Applicant Date

First Federal

AUTHORIZATION TO RELEASE INFORMATION

TO WHOM IT MAY CONCERN:

I have made application(s) to First Federal to obtain a mortgage(s).

I have named you as a reference on my application and request that you release any and all information concerning my account(s) to First Federal for use in connection with my application.

Photocopies of this letter may be made to facilitate multiple inquiries. In the event that you do receive a photocopy of this letter, it should be treated as an original and the requested information should be released.

APPLICANT MUST COMPLETE AND DATE

DOREEN C CROSS
Printed Name of Applicant

Doreen C Cross
Signature of Applicant

12/10/12
Date

STEPHEN C DODEK
Printed Name of Applicant

Stephen C Dodek
Signature of Applicant

12/10/12
Date

Auth
11/11

Cross/Dudek and 788 East Buttermut

Doreen Cross and Stephen Dudek (the Buyers) are requesting this information to provide to the attorney handling our case.

1 On what date did buyers apply for the loan?

12/05/2012

2 On what date did you provide buyers with written satisfactory loan approval that contained no credit, income, or asset conditions?

12/12/2012

3 On what date did buyers apply for the loan?

12/05/2012

4 Did your loan approval letter make any written request as to CL-100 issues?

NO

5 On what date did you initially pull buyers credit report?

12/05/2012

6 On what date did you request buyer's confirmation of employment?

12/06/2012

7 On what date did you receive all information needed for buyer's verification of employment and income?

12/18/2012

8 On what date did each buyer provide you with copies of their tax returns for 2010 and 2011?

12/06/2012

9 On what date did buyers provide you with copies of their bank statements, W-2'S, pay stubs and or 1099's.

12/06/2012

10 How many times and on what dates did you have to ask buyers to get additional information to you?

12/6/2012 REQUESTED LOAN SALES CONTRACT CLEARED ON 12/20/2012

11 On what date was the appraisal ordered?

12/06/2012

12 Were buyers requested to pay in advance for the appraisal prior to it being ordered?

[redacted]

13 If buyers were requested to pay for the appraisal prior to closing when did they write the check and authorize you to order it?

12/05/2012

14 When did you submit your loan documents for the underwriter's approval?

12/11/2012

15 Is your firm a mortgage brokerage firm or mortgage banker?

MORTGAGE BANKER

16 When did you receive all information or documents request from the buyers?

12/20/2012

17 Do you fund or close loans internally?

BORROWER DESIGNATES AN ATTORNEY TO CONDUCT CLOSING

18 When was the title work ordered?

12/12/2012

19 When was title work completed?

UNKNOWN. DOCUMENTS ARE SENT TO CLOSER WHEN CLOSING IS SCHEDULED. PLEASE REFER TO BUYERS CLOSING ATTORNEY.

20 When was the soonest date you and closing attorney were prepared to close?

PREPARED TO CLOSE ON 12/20/2012 WITH A PRIOR TO CLOSE CONDITION OF A VERBAL RE-VERIFICATION OF EMPLOYMENT THAT COULD NOT BE COMPLETED UNTIL JANUARY 4TH DUE TO HOLIDAY CLOSING OF SCHOOL DISTRICT ADMINISTRATIVE OFFICES.

21 Did you ever receive a "clear to close" notice? If so, on what date?

FIRST FEDERAL DOES NOT HAVE A CLEAR TO CLOSE NOTICE

Prepared by:	EQUIFAX MORTGAGE SOLUTIONS 6 E. CLEMENTON RD GIBBSBORO NJ 08026 PHONE: 800-933-0037 FAX: (800)678-7079	Order No:	P7QXP6
		Ordered:	12/05/2012
		Completed:	12/05/2012
		Loan No:	W12AW08756
		Account No:	161FM38445
		Sources:	EEX XPN TU
Prepared for:	FIRST FEDERAL 2440 MALL DRIVE CHARLESTON, SC 29406	Price:	18.40
		INDIV/JOINT:	INDIVIDUAL
		Requested By:	

APPLICANT

Name	Phone	SSN	Age/DOB	Marital Status
DOREEN C CROSS	[redacted]	[redacted]	[redacted]	

Current Address:
236 CADY DRIVE SUMMERVILLE SC 29483

MERGED CREDIT INFILE REPORT

SCORES

[redacted] BEACON 5.0 FACTA — DOREEN CROSS - [redacted] — Equifax - 01

SCORE RANGE: 334 - 818
RBP PERCENTAGE: 66%

00030 TIME SINCE MOST RECENT ACCOUNT OPENING IS TOO SHORT
00008 TOO MANY INQUIRIES IN THE LAST 12 MONTHS
00005 TOO MANY ACCOUNTS WITH BALANCES
00014 LENGTH OF TIME ACCOUNTS HAVE BEEN ESTABLISHED

[redacted] FAIR ISAAC — DOREEN CROSS - [redacted] — Experian - 01

SCORE RANGE: 320 - 844
RBP PERCENTAGE: 96%

08 TOO MANY INQUIRIES LAST 12 MONTHS
05 TOO MANY ACCOUNTS WITH BALANCES

[redacted] FICO RISK SCORE, CLASSIC — DOREEN CROSS - [redacted] — TransUnion - 01

SCORE RANGE: 309 - 839
RBP PERCENTAGE: 67%

930 TIME SINCE MOST RECENT ACCOUNT OPENING IS TOO SHORT
012 LENGTH OF TIME REVOLVING ACCOUNTS HAVE BEEN ESTABLISHED
028 NUMBER OF ESTABLISHED ACCOUNTS
006 TOO MANY ACCOUNTS WITH BALANCES
I INQUIRIES DID IMPACT CREDIT SCORE AND, FOR MODELS THAT INDICATE IT, NO DEROGATORY INFO FOUND IN THE FILE

ALERTS

IDENTITYSCAN FOR DOREEN CROSS — SSN: [redacted] — Equifax - 01
IDENTITY SCAN: IDENTITY SCAN DID NOT DETECT ANY ALERTS.

Prepared by:	EQUIFAX MORTGAGE SOLUTIONS 6 E. CLEMENTON RD GIBBSBORO NJ 08026 PHONE: 800-333-0037 FAX: (800)678-7079	Order No: Ordered: Completed: Loan No: Account No: Sources: Price: INDIV/JOINT: Requested By:	P7QXS0 12/05/2012 12/05/2012 W12AW08758 161FM38445 EFX XPN TU 18.40 INDIVIDUAL
Prepared for:	FIRST FEDERAL 2440 MALL DRIVE CHARLESTON, SC 29406		

APPLICANT

Name	Phone	SSN	Age/DOB	Marital Status
STEPHEN C DUDEK	843[redacted]	[redacted]	[redacted]	

Current Address:
236 CADY DRIVE SUMMERVILLE SC 29483

MERGED CREDIT FILE REPORT

SCORES

[redacted] BEACON 5.0 FACTA — STEPHEN DUDEK - [redacted] — Equifax - 01

SCORE RANGE: 334 - 818

RBP PERCENTAGE: 48%

00010	PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER REVOLVING ACCOUNTS
00013	TIME ON DELINQUENCY IS TOO RECENT OR UNKNOWN
00011	AMOUNT OWED ON REVOLVING ACCOUNTS IS TOO HIGH
00018	NUMBER OF ACCOUNTS WITH DELINQUENCY
Y	NUMBER OF INQUIRIES ADVERSELY AFFECTED THE SCORE BUT NOT SIGNIFICANTLY

[redacted] FAIR ISAAC — STEPHEN DUDEK [redacted] — Experian - 01

SCORE RANGE: 320 - 844

RBP PERCENTAGE: 42%

10	RATIO OF BALANCE TO LIMIT ON BANK REVOLVING OR OTHER REV ACCTS TOO HIGH
02	LEVEL OF DELINQUENCY ON ACCOUNTS
01	AMOUNT OWED ON ACCOUNTS IS TOO HIGH
19	TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN
08	TOO MANY INQUIRIES LAST 12 MONTHS

[redacted] FICO RISK SCORE, CLASSIC — STEPHEN DUDEK - [redacted] — TransUnion - 01

SCORE RANGE: 309 - 839

RBP PERCENTAGE: 44%

010	PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK OR OTHER REVOLVING ACCOUNTS
013	TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN
002	LEVEL OF DELINQUENCY ON ACCOUNTS
011	AMOUNT OWED ON REVOLVING ACCOUNTS IS TOO HIGH
I	INQUIRIES DID IMPACT CREDIT SCORE AND, FOR MODELS THAT INDICATE IT, NO DEROGATORY INFO FOUND IN THE FILE

ALERTS

IDENTITYSCAN FOR STEPHEN DUDEK [redacted] Equifax - 01

IDENTITY SCAN: IDENTITY SCAN DID NOT DETECT ANY ALERTS.

Wed, Nov 28, 2012 at 1:10 PM

To: Rick Willis <rwillisteam@gmail.com>

No...I sent an email letting you know the bank was waiting on the plat to be recorded with the changes.
[Quoted text hidden]

Rick Willis< rwillisteam@gmail.com> Wed, Nov 28, 2012 at 1:13 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Did you receive that from us?

Sent from my iPad
[Quoted text hidden]

Susan Nicholson < snicholson@carolinaone.com> Wed, Nov 28, 2012 at 1:18 PM
To: Rick Willis <rwillisteam@gmail.com>

Verification Buyers Agent got plat on Nov 23

Yes Friday and everything was received from the bank on Monday.
[Quoted text hidden]

Rick Willis < rwillisteam@gmail.com> Wed, Nov 28, 2012 at 2:39 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Do you think we need to prepare an extension to closing since the bank is just now getting this information.

Sent from my iPad
[Quoted text hidden]

Susan Nicholson< snicholson@carolinaone.com> Wed, Nov 28, 2012 at 3:18 PM
To: Rick Willis <rwillisteam@gmail.com>

Probably but did you get anything back on the CL100 and the info. I sent yesterday asking for a more clarification as to what the sellers are doing with initials?
[Quoted text hidden]

Rick Willis < rwillisteam@gmail.com> Wed, Nov 28, 2012 at 3:23 PM
To: Susan Nicholson <snicholson@carolinaone.com>

342

Gmail by Google

Rick Willis< rwillisteam@gmail.com>

Butternut

3 messages

Rick Willis < rwillisteam@gmail.com> Fri, Nov 30, 2012 at 5:12 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Susan,

Do you want to prepare an addendum extending the closing date for 788 E. Butternut?

Charlene Willis
843-971-4002

--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

Susan Nicholson< snicholson@carolinaone.com> Fri, Nov 30, 2012 at 5:18 PM
To: Rick Willis <rwillisteam@gmail.com>

Yes...I'll get it together. Any word on the cl100 or repair addendum we sent over?
[Quoted text hidden]

Rick Willis < rwillisteam@gmail.com> Fri, Nov 30, 2012 at 5:21 PM
To: Susan Nicholson <snicholson@carolinaone.com>
Bcc: ftomferro@bellsouth.net

I sent you an email with what the owner is doing in the repairs. He couldn't get the addendum to me so he just put it in an email. I will go back and find it and resend to you.

the CL-100 is due by this evening. Terminex is preparing it now. When I gets here we will send it over.

Any idea on closing? I am assuming the appraisal got back and it is okay. Can you let us know if it was done? I remember I think that it was.

Thanks

Charlene Willis
843-971-4002

[Quoted text hidden]

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Monday, December 03, 2012 8:46 AM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Fwd: 788 Butternut

Just received the below email...Susan
ATTACHMENT [184388813856-1203-042437-422.pdf]

Susan,
Please find attached the addendum and the receipt for septic evaluation.
CL-100 and plumber analysis will be ready for you later today.
Please get appraisal done asap or we will loose this deal by default from the time taking so long.
As you can see the sellers are getting their responsibilities taken care of.
Rick

From: RingCentral <notify@ringcentral.com>
Date: Mon, Dec 3, 2012 at 7:24 AM
Subject: New Fax Message from (843) 881-3856 on 12/03/2012 at 04:24 AM
To: Fax <rickwillis8@yahoo.com>

You Have a New Fax Message	
From:	(843) 881-3856
Received:	Monday, December 03, 2012 at 04:24 AM
Pages:	2
To:	(888) 803-1570 (Fax)

To view this message, please open the attachment or login to your RingCentral account by clicking here.

Thank you for using *RingCentral*.

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Monday, December 03, 2012 9:00 AM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Fwd: QUOTE NEEDED ASAP!

Electrical work info...
Susan,
Please see the attached [788 E. Butternut.pdf] paid invoice for work complete at E. Butternut. Thanks for everything!!
Els

On Mon, Dec 3, 2012 at 10:57 AM, Cross,Doreen < Doreen.Cross@tridenttech.edu> wrote:
Have you heard from Tim on the specific items estimate? Do you know the story of the gutters and sand yet? Thanks, -Doreen [6956]

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Monday, December 03, 2012 11:11 AM
To: Cross,Doreen
Cc: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Re: 788 Butternut

Hey, No I haven't received the CL100 to see if they put something on that about the gutters and sand or if they just did it according to what you requested on the repair addendum. They said I'll have the CL100 later today. I've been trying to get a hold of Tim but I'm not waiting on him. I have another contractor going out there to give me an estimate and will get that to you soon. As for the damaged bathroom floor the sellers are not wanting to do anything with that so I am getting a contractor to look at that to see what needs to be done to make the repairs to the damaged floor and if it's under $500 I will pay to have that done for you. I usually give closing gifts so I thought I would cover that since we are pretty much down to that. I think the sellers have been very serious about doing what is necessary within reason to close do you feel comfortable to have the mortgage company do what they need so we can close?
Thanks, Susan

From: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
[mailto:stephen.c.dudek.ctr@navy.mil]
Sent: Monday, December 03, 2012 11:20 AM
To: Cross,Doreen
Subject: RE: 788 Butternut
My personal concern is the water damage from the bathroom. All else is OK. Again this is my stance and does not imply what some else may or may not say...

On Dec 3, 2012, at 3:22 PM, "Cross,Doreen" < Doreen.Cross@tridenttech.edu> wrote:
I agree with Stephen. I contacted First Federal this morning to move forward. I received an OOO that my agent is in training through tomorrow. -Doreen
I signed the Addendum 3 and sent it to Stephen.

From: Susan Nicholson [mailto:snicholson@carolinaoneplus.com]
Sent: Monday, December 03, 2012 4:13 PM
To: Cross,Doreen
Cc: Susan Nicholson (snicholson@carolinaone.com); Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Subject: Re: 788 Butternut

Sounds good, I'll get the contractor to evaluate and see what is needed for the bathroom issue. We really need to get with first federal hopefully they will call you back. She did tell me that all they needed was your ok and the appraisal fee which you could pay by credit card to get it ordered. Let me know if you get with her and I'm still working on the other reports and estimates. Steve I just need the addendum back from you so I can forward to the sellers. Thanks, susan

Sent from my iPhone

843-327-3017
Charlene
843-327-3018
843-971-4002

10430813856-1203-042437-422.pdf
61K

Susan Nicholson< snicholson@carolinaone.com>
To: Rick Willis <rwillisteam@gmail.com>

Mon, Dec 3, 2012 at 3:19 PM

Hey,
I've been trying to get with the lender to find out about the appraisal, but she is out for training. I have someone from First Federal looking into it and I will forward to you as soon as I hear. I drafted an extension and I'm waiting to get it back from my clients I will forward that to you as well once I receive it. I have a contractor that I need to look at the house for some repairs on the bathroom damage from the water leak and we would like to get in the house tomorrow at 4 Is that possible?
Thanks,
Susan Nicholson
Carolina One Real Estate

On Mon, Dec 3, 2012 at 7:33 AM, Rick Willis <rwillisteam@gmail.com> wrote:

Susan,

Please find attached the addendum and the receipt for septic evaluation.

CL-100 and plumber analysis will be ready for you later today.

Please get appraisal done asap or we will loose this deal by default from the time taking so long.

As you can see the sellers are getting their responsibilities taken care of.

Rick
843-327-3017
843-971-4002

---------- Forwarded message ----------
From: RingCentral <notify@ringcentral.com>
Date: Mon, Dec 3, 2012 at 7:24 AM
Subject: New Fax Message from (843) 881-3856 on 12/03/2012 at 04:24 AM
To: Fax <rickwillis8@yahoo.com>

You Have a New Fax Message

From:	(843) 881-3856
Received:	Monday, December 03, 2012 at 04:24 AM
Pages:	2
To:	(888) 803-1570 (Fax)

To view this message, please open the attachment or login to your RingCentral account by clicking here.

Thank you for using *RingCentral*.

ed, Dec 5, 2012 at 2:38 PM, Carrie Boyer <cboyer@wooddylaw.com> wrote: To: Susan Nicholson

As requested. We will have to have proof that the damages haye been repaired. Thanks.

Carrie Boyer
Real Estate Paralegal

THE WOODDY LAW FIRM, LLC
Goose Creek Office
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: 843.553.6799
Fax: 843.553.0724

Mt. Pleasant Office
622 Johnnie Dodds Blvd.
Mt. Pleasant, SC 29464
Phone: 843.881.3700
Fax: 843.881.2511

From: Susan Nicholson < snicholson@carolinaone.com >
Date: Wed, Dec 5, 2012 at 2:46 PM
Subject: Re: CL100 Copy - Dudek
To: Carrie Boyer <cboyer@wooddylaw.com>

OK thanks!

Gmail

Rick Willis< rwillisteam@gmail.com>

Butternut Repairs

3 messages

Rick Willis < rwillisteam@gmail.com> Mon, Nov 12, 2012 at 6:48 AM
To: Susan Nicholson <snicholson@carolinaone.com>

Susan,

This is easier than to try and find emails within emails.

I copied the specifics of what Mr. Ferro will do on the repairs list requested by your buyers.

Please see below:

Rick,
In regards to the revised addendum of repairs:

A1. Will have structural engineer out on Wed, 10 am for exterior inspection

B 1. Will replace tub spout
3. Will supply extra flooring
4. Will have possible leak in hallway tub inspected and repaired if necessary
6. Will secure exterior hose valve

D. Electrical issues 1-6 will be resolved

Thank you,
Tom

Seller said he would do these

--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

To view this message, please open the attachment or login to your RingCentral account by clicking here.

Thank you for using *RingCentral*.

--
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843-327-3017
Charlene
843-327-3018
843-971-4002

--
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843-971-4002

--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

Susan Nicholson< snicholson@carolinaone.com> Mon, Nov 26, 2012 at 12:29 PM

To: Rick Willis <rwillisteam@gmail.com>

OK thanks!! I'm talking to the mortgage company now but they haven't done the appraisal yet because they were waiting on the recording of the new plat. I'm trying to get the time line so we can close but it won't happen the end of this week. Any word on the repairs from a licensed contractor? If the sellers haven't then my clients may consider a credit to have the repairs done themselves which I would recommend because the sellers were having issues with getting a licensed contractor to do the repairs.
Susan

On Mon, Nov 26, 2012 at 12:18 PM, Rick Willis <rwillisteam@gmail.com> wrote:
Susan,

the Structural Engineer is sending the report today.

The CL-100 is scheduled for tomorrow morning. The person handling this is very prompt and we should have that report back by at least Wednesday morning.

Has the closing time been set for the property? If we could please know the place where it will occur that would be helpful also.

Thanks

Charlene Willis
843-971-4002

On Mon, Nov 26, 2012 at 11:50 AM, Susan Nicholson <snicholson@carolinaone.com> wrote:
Any word on the structural engineer report?

On Mon, Nov 26, 2012 at 11:13 AM, Rick Willis <rwillisteam@gmail.com> wrote:
Susan,

The attached plat which was sent over last Thursday morning is the one your looking for...It is approved and registered.

Please let me know you have received this...Thanks

Charlene

Wed, Nov 28, 2012 at 1:10 PM

To: Rick Willis <rwillisteam@gmail.com>

No...I sent an email letting you know the bank was waiting on the plat to be recorded with the changes.
[Quoted text hidden]

Rick Willis< rwillisteam@gmail.com> Wed, Nov 28, 2012 at 1:13 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Did you receive that from us?

Sent from my iPad
[Quoted text hidden]

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To: Rick Willis <rwillisteam@gmail.com>

verification Buyers Agent got plat on Nov 23

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To: Rick Willis <rwillisteam@gmail.com>

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[Quoted text hidden]

Rick Willis < rwillisteam@gmail.com> Wed, Nov 28, 2012 at 3:23 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Gmail by Google

Rick Willis< rwillisteam@gmail.com>

Repair Addendum for Butternut

1 message

Rick Willis < rwillisteam@gmail.com> Tue, Nov 27, 2012 at 12:56 PM
To: tomferro@bellsouth.net, Lorraine Ferro <lbfero@yahoo.com>

Tommy, Lorraine,

Attached is a repair addendum that the buyers agent is needing your initials on.

Rick is here if you need to speak with him: 843-971-4002 (Home/Office)

His cell is 843-327-3017 and he will be driving to a 1:30 appointment in just a few minutes.

Charlene
843-971-4002

---------- Forwarded message ----------
From: Susan Nicholson <snicholson@carolinaone.com>
Date: Tue, Nov 27, 2012 at 12:44 PM
Subject: Re: Butternut
To: Rick Willis <rwillisteam@gmail.com>

Hey,
The closing attorney is:

THE WOODDY LAW FIRM, LLC
Goose Creek Office
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: 843.553.6799
Fax: 843.553.0724

I'm still waiting to hear what time frame we are looking at with the bank and will let you know when I get that info. Also, the closing attorney said they had to make sure the plat is recorded before they could do anything with the title or it would be a mess so they are glad this is done now. It will take them approx. a week to have done. My clients are still unclear as to what everyone has agreed to do with the repairs. With all the emails going back and forth is has become unclear. Attached is what my clients are thinking will be taken care of and they have initial where noted. Can you pass along to your clients and have them make any necessary changes with their signed initials so we don't have any further misunderstandings. As for the engineers report please forward to me as soon as you get it. My clients want to make sure that nothing has changed with his assessment because even though he verbally stated that he felt good that everything is to accordance to what is necessary with the structure he stated he needed to make some calculations which is a concern of Doreens. I appreciate your patience with this as well as your clients.

351

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Monday, December 03, 2012 8:46 AM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Fwd: 788 Butternut

Just received the below email...Susan
ATTACHMENT [18438813856-1203-042437-422.pdf]

Susan,
Please find attached the addendum and the receipt for septic evaluation.
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As you can see the sellers are getting their responsibilities taken care of.
Rick

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Date: Mon, Dec 3, 2012 at 7:24 AM
Subject: New Fax Message from (843) 881-3856 on 12/03/2012 at 04:24 AM
To: Fax <rickwillis8@yahoo.com>

You Have a New Fax Message	
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To:	(888) 803-1570 (Fax)

To view this message, please open the attachment or login to your RingCentral account by clicking here.

Thank you for using *RingCentral*.

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Sent: Monday, December 03, 2012 9:00 AM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Fwd: QUOTE NEEDED ASAP!

Electrical work info...
Susan,
Please see the attached [788 E. Butternut.pdf] paid invoice for work complete at E. Butternut. Thanks for everything!!
Nels

On Mon, Dec 3, 2012 at 10:57 AM, Cross,Doreen < Doreen.Cross@tridenttech.edu> wrote:
Have you heard from Tim on the specific items estimate? Do you know the story of the gutters and sand yet? Thanks, -Doreen (6956)

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Monday, December 03, 2012 11:11 AM
To: Cross,Doreen
Cc: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Re: 788 Butternut

Hey, No I haven't received the CL100 to see if they put something on that about the gutters and sand or if they just did it according to what you requested on the repair addendum. They said I'll have the CL100 later today. I've been trying to get a hold of Tim but I'm not waiting on him. I have another contractor going out there to give me an estimate and will get that to you soon. As for the damaged bathroom floor the sellers are not wanting to do anything with that so I am getting a contractor to look at that to see what needs to be done to make the repairs to the damaged floor and if it's under $500 I will pay to have that done for you. I usually give closing gifts so I thought I would cover that since we are pretty much down to that. I think the sellers have been very serious about doing what is necessary within reason to close do you feel comfortable to have the mortgage company do what they need so we can close?
Thanks, Susan

From: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
[mailto:stephen.c.dudek.ctr@navy.mil]
Sent: Monday, December 03, 2012 11:20 AM
To: Cross,Doreen
Subject: RE: 788 Butternut
My personal concern is the water damage from the bathroom. All else is OK. Again this is my stance and does not imply what some else may or may not say...

On Dec 3, 2012, at 3:22 PM, "Cross,Doreen" < Doreen.Cross@tridenttech.edu> wrote:
I agree with Stephen. I contacted First Federal this morning to move forward. I received an OOO that my agent is in training through tomorrow. -Doreen
I signed the Addendum 3 and sent it to Stephen.

From: Susan Nicholson [mailto:snicholson@carolinaoneplus.com]
Sent: Monday, December 03, 2012 4:13 PM
To: Cross,Doreen
Cc: Susan Nicholson (snicholson@carolinaone.com); Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Subject: Re: 788 Butternut

Sounds good. I'll get the contractor to evaluate and see what is needed for the bathroom issue. We really need to get with first federal hopefully they will call you back. She did tell me that all they needed was your ok and the appraisal fee which you could pay by credit card to get it ordered. Let me know if you get with her and I'm still working on the other reports and estimates. Steve I just need the addendum back from you so I can forward to the sellers. Thanks, susan

Sent from my iPhone

Gmail by Google

Rick Willis< rwillisteam@gmail.com>

788 E Buttermut Info.

7 messages

Susan Nicholson< snicholson@carolinaone.com> Thu, Nov 8, 2012 at 3:39 PM
To: rickwillis8@yahoo.com, RICK WILLIS <rick@rickwillis.com>, Rick Willis <rwillisteam@gmail.com>

Hey,
Attached is the marked repair list that according to your email the seller is agreeing to take care of? I just need more verification as to what exactly they are agreeing to. Also, I spoke to a structural engineer (Gene Bristin on Trolley Rd. (843) 821-1678) about inspecting the home and in order for him to do a full report it would cost approx. $750-$850. Your email stated that your seller would have the structural integrity inspected so we are assuming that he would cover the cost of this. Please let me know if it is ok for me to setup for the engineer to come out on Monday, which is the earliest he can do it.
Thanks,
Susan Nicholson
Carolina One Real Estate

recv17654-001.pdf
56K

Rick Willis < rwillisteam@gmail.com> Fri, Nov 9, 2012 at 7:03 AM
To: Lorraine Ferro <lbfero@yahoo.com>, tomferro@bellsouth.net

Good morning Tommy and Lorraine,

Please find below a message from the buyers agent and attached is the revised addendum of repairs.

You can reach Rick at 843-971-4002 or his cell: 843-327-3017.

Thank you

Charlene
The Willis team, Llc
843-971-4002

Subject: 788 E Buttermut Info.
To: rickwillis8@yahoo.com, RICK WILLIS <rick@rickwillis.com>, Rick Willis <rwillisteam@gmail.com>
[Quoted text hidden]

recv17654-001.pdf
56K

THOMAS FERRO< tomferro@bellsouth.net> Sat, Nov 10, 2012 at 1:58 PM
To: Rick Willis <rwillisteam@gmail.com>

Rick,
After calling several engineers, I also spoke to Mr. Briston on Trolley Rd. We discussed the situation and we set up an appt for Wed at at 10 am. If he can do it on Monday, great. There are two different evaluations he can do, one is inspecting the exterior and one the whole house. He told me that the exterior inspection for $375 would indicate if there were in fact any questions as to the structural integrity. I feel that this would be sufficient, as I am confident that there are no problems with the steel and concrete construction. If in fact we are still going through with the closing, I need to do this by the end of the month.

Thanks,
Tom

From: Rick Willis <rwillisteam@gmail.com>
To: Lorraine Ferro <lbfero@yahoo.com>; ftomferro@bellsouth.net
Sent: Fri, November 9, 2012 7:03:09 AM
Subject: Fwd: 788 E Butternut Info.
[Quoted text hidden]

THOMAS FERRO < ftomferro@bellsouth.net> Sun, Nov 11, 2012 at 2:51 PM
To: Rick Willis <rwillisteam@gmail.com>

Rick,
In regards to the revised addendum of repairs:

A1. Will have structural engineer out on Wed, 10 am for exterior inspection

B 1. Will replace tub spout
3. Will supply extra flooring
4. Will have possible leak in hallway tub inspected and repaired if necessary
6. Will secure exterior hose valve

D. Electrical issues 1-6 will be resolved

Thank you,
Tom

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Sent: Fri, November 9, 2012 7:03:09 AM
Subject: Fwd: 788 E Butternut Info.

[Quoted text hidden]

Rick Willis< rwillisteam@gmail.com> Sun, Nov 11, 2012 at 5:20 PM
To: Susan Nicholson <snicholson@carolinaone.com>

Please call or email to verify receipt.....Thanks
[Quoted text hidden]

Gmail by Google

Rick Willis< rwillisteam@gmail.com>

Repair Addendum for Butternut

1 message

Rick Willis < rwillisteam@gmail.com> Tue, Nov 27, 2012 at 12:56 PM
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Tommy, Lorraine,

Attached is a repair addendum that the buyers agent is needing your initials on.

Rick is here if you need to speak with him: 843-971-4002 (Home/Office)

His cell is 843-327-3017 and he will be driving to a 1:30 appointment in just a few minutes.

Charlene
843-971-4002

---------- Forwarded message ----------
From: **Susan Nicholson** <snicholson@carolinaone.com>
Date: Tue, Nov 27, 2012 at 12:44 PM
Subject: Re: Butternut
To: Rick Willis <rwillisteam@gmail.com>

Hey,
The closing attorney is:

THE WOODDY LAW FIRM, LLC
Goose Creek Office
597 Old Mount Holly Road, Suite 202
Goose Creek, SC 29445
Phone: 843.553.6799
Fax: 843.553.0724

I'm still waiting to hear what time frame we are looking at with the bank and will let you know when I get that info. Also, the closing attorney said they had to make sure the plat is recorded before they could do anything with the title or it would be a mess so they are glad this is done now. It will take them approx. a week to have done. My clients are still unclear as to what everyone has agreed to do with the repairs. With all the emails going back and forth is has become unclear. Attached is what my clients are thinking will be taken care of and they have initial where noted. Can you pass along to your clients and have them make any necessary changes with their signed initials so we don't have any further misunderstandings. As for the engineers report please forward to me as soon as you get it. My clients want to make sure that nothing has changed with his assessment because even though he verbally stated that he felt good that everything is to accordance to what is necessary with the structure he stated he needed to make some calculations which is a concern of Doreens. I appreciate your patience with this as well as your clients.

---------- Forwarded message ----------
From: **RingCentral** <notify@ringcentral.com>
Date: Sun, Dec 16, 2012 at 4:30 PM
Subject: New Fax Message from (843) 881-3856 on 12/16/2012 at 01:30 PM
To: Fax <rickwillis8@yahoo.com>

You Have a New Fax Message

From:	(843) 881-3856
Received:	Sunday, December 16, 2012 at 01:30 PM
Pages:	1
To:	(888) 803-1570 (Fax)

To view this message, please open the attachment or login to your RingCentral account by clicking here.

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--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

18438813856-1216-133033-442.pdf
35K

Susan Nicholson< snicholson@carolinaone.com> Sun, Dec 16, 2012 at 6:09 PM
To: Rick Willis <rwillisteam@gmail.com>

Rick,
I'm confused about this whole thing. As of late yesterday I received the banks requested new documentation signed by your clients, this morning I received the HVAC receipt, and now I'm receiving a cancellation with the contract; what is going on? The Buyers did everything they were asked to do with the lender. The entire process was held up because of waiting on the the recorded new survey. Further more the CL100 still has not been cleared for closing as I have been trying to get documentation from your clients for well over a week. Your clients were adamant that the CL100 was clear and when we finally received a copy of the CL100 it wasn't. Also, we are still waiting on the bathroom leak to be cleared. We expressed clearly that we needed the new recorded subdivided plat so the bank could proceed with everything else. The Buyers made application and supplied requested documentation from the lender in a timely manner from the time we ratified the contract. The contract clearly states that there is a 15 day extension, if at no fault of the buyer or seller, to close which would bring us to the 15th of December. We

have everything we need to close hopefully this week pending the title work is clear from the closing attorney. We will have a problem with the Buyer if this doesn't close. I will consult with my Broker to discuss this and get back to you.
Susan Nicholson
Carolina One Real Estate

On Sun, Dec 16, 2012 at 4:49 PM, Rick Willis <rwillisteam@gmail.com> wrote:

Susan,

As you can see by the email below the sellers of 788 E. Butternut have tendered written communication that they choose to terminate the contract of sale with your clients.

Please find attached a release signed by the sellers for you to obtain the signature of your clients.

As you can see by way of the wording in both paragraph 3 and 8 of the purchase agreement the words **time is of the essence** is bolded and underlined.

Paragraph 8 clearly states "Buyer will take any action that is needed or requested by lender to process the loan application." .....Obviously since the appraisal was not done or completed until this past week the buyer obviously did not authorize the lender to order the appraisal or stopped the appraisal process if the lender attempted to order the appraisal earlier.

The sellers decision is final and not subject to negotiation.

Respectfully,

Rick
843-327-3017
843-971-4002

---------- Forwarded message ----------
From: **THOMAS FERRO** <tomferro@bellsouth.net>
Date: Sun, Dec 16, 2012 at 3:27 PM
Subject: contract cancellation
To: Rick Willis <rwillisteam@gmail.com>

Rick,
This communication shall be formal notice to terminate the contract of sale with Stephen Dudek and Doreen Cross.
This notice is being tendered because the closing did not occur on or before the date in the contract of sale and the buyers failure to obtain loan approval as per the date in the contract.

Regards,
Tom and Lorraine Ferro

---------- Forwarded message ----------
From: **RingCentral** <notify@ringcentral.com>
Date: Sun, Dec 16, 2012 at 4:30 PM
Subject: New Fax Message from (843) 881-3856 on 12/16/2012 at 01:30 PM
To: Fax <rickwillis8@yahoo.com>

--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

18438813856-1203-042437-422.pdf
61K

Susan Nicholson< snicholson@carolinaone.com> Wed, Dec 5, 2012 at 2:56 PM
To: Rick Willis <rwillisteam@gmail.com>, RICK WILLIS <rick@rickwillis.com>

Hey,
Attached is the addendum to the extension. As I explained to the sellers last night about how the appraisers work with the new regulations we are not allowed to contact them or even pick out which one we want to use. The bank can't give us an exact date to close but said we can close on or before the 28th. They will do everything they can to expedite so we can close sooner but they recommend to keep the date how I have it on the addendum because they don't want to miss another deadline. Also, I just got a copy of the CL100 report and it states that there is termite damage to the subfloor in the front of the house. Did that get repaired? The bank is requiring that it gets repaired to clear the report which will need to be done by a certified licensed contractor. If there is a color pic of the damage to send please send me it, the copy I have didn't come out very good. Please let me know the status of that so we don't have any further delay.
[Quoted text hidden]

addendum3sign120412.pdf
333K

From: Susan Nicholson < snicholson@carolinaone.com >
To: ftomferro@bellsouth.net
Sent: Thu, December 6, 2012 1:11:19 PM
Subject: Butternut paperwork to close

ATTACHMENTS: 310 - Agreement to Buy/Sell Real Estate Residentail - 108.pdf; 390-1 - Addendum #1 -108.pdf; 390-2 - Addendum #2 - 108.pdf; Butternut Plat.pdf

Hey,
I just got word from Rick about his son. He told me to contact you direct to get the necessary paperwork that the Buyers lender is needing done asap so it wont have any further delays with closing.

Attached is the 1st page of the contract where we needed to add the sellers name. It wasn't on the ratified contract and the bank is requesting that is done. Therefore, I added your names and I need you both to initial by the X and return to me.

There is another addendum attached extending the closing date. The Buyers lender is working very hard to get this home to close as soon as possible. As I explained before, we needed the recorded final survey for them to continue with the loan which we received last week. Then our mortgage officer was at a mandatory meetings for 3 days. The mortgage officer said that she really wants the addendum to state on or before December 28th because they don't have a confirmed date yet until they receive all the necessary documents which includes the appraisal and the attached documents so they can send to the underwriter for their approval. Once we have that then we can confirm a closing date. If I put any sooner date to close and the lender has to delay it then we will have to do another extension and we all don't want that. We understand the urgency of you getting this to close and are working very hard to accomplish that.

Lastly, is the addendum of the repairs that you and the buyers agreed to. The lender is needing something more clear as well as all the receipts or letters that correspond to show they are done (I have the electricians, engineer, and septic info. **I still need the HVAC, Licensed Plumber, Termite Treatment and Licensed Contractor report for the termite** damage). I need you both to sign and initial where noted and send back to me. Also, I just received a copy of the CL100 report and on the report it states that there is termite damage the bank will need a letter from a certified licensed contractor to evaluate. If they decide that repairs are needed then those repairs need to be completed and a receipt of work completed needs to be sent to the lender. We also need something from the termite company that they took care of the termites. The report states that they didn't do any treatment. I know they were there the other day doing work so I just need info. that they took care of that. If you need a contractor to look at the damage Scott at Vaskos Quality Builders is the gentlemen I had there the other night his number is *851-2133*. I am also still waiting to hear back from him on the plumbing issues with the hall bath.

I will be happy to pick these documents up if you need me to, but we really need to get these over to the lender asap. I know this all has been very fustrating, but please bear with us a little longer and we will have this done. I thank you in advance for your patience and understanding. If you need anything from me please don't hesitate to ask.

Sincerely,
Susan Nicholson
Carolina One Real Estate

From: **THOMAS FERRO** <ftomferro@bellsouth.net>
Date: Sun, Dec 9, 2012 at 11:51 AM
Subject: Re: Butternut paperwork to close
To: Susan Nicholson <snicholson@carolinaone.com>

Susan,
I will pay the 150.00 to inspect the the termite damage . But the buyer will pay the balance of the termite treatment.
I paid the 600.00 for the cl 100 the balance to be paid by buyer 1350. at closing

---

On Mon, Dec 10, 2012 at 12:42 PM, Susan Nicholson < snicholson@carolinaone.com > wrote: To Rick Willis

Hey, I hate to bother you with everything going on with your son, but I received the below **ABOVE** email this morning. Did you ever talk to him? I called the termite people to get a couple of questions that my clients have answered and they told me that they were already doing the work. My clients will have an issue with this because they haven't agreed to this but he already is doing it. Did the contractor contact you about looking at the termite damage? Also, the bank is still asking for the addendum's that we sent over about the closing date extension and repairs. Can get me those?
Thanks so much,
Susan Nicholson
Carolina One Real Estate

On Thu, Dec 13, 2012 at 2:45 PM, Cross,Doreen < Doreen.Cross@tridenttech.edu> wrote:

Hi Susan. How are things coming along? What did the contractors estimate for the termite and the hall bath damage? Do we have an appraisal yet? Do you know when Wooddy is shutting down for Christmas? Thanks, -Doreen (574-6956)

Do you know Rick's sons condition?

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] **On Behalf Of Susan Nicholson**
Sent: Friday, December 14, 2012 9:02 AM
To: Cross,Doreen
Cc: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Re: Checking In

Hey, Sorry for my late reply...I didn't get home till after 9 last night and I collapsed. Things are coming along well. I'm still waiting on the letter about the termite damage but I do have the estimate for the repairs on the bathroom. The only repairs he said are needed is the cosmetic repairs. Under the house is fine. The major expense is in the replacement and repair to the wood floors so I'm getting an estimate from a wood floor company to see what the cost is to refinish all the wood floors so they can be done at 1 time. I will forward you the estimate from the contractor shortly. As of 2 days ago we haven't received the appraisal but Allison said probably today or 1st of next week. We are also waiting on the title work to come back from the attorney's office. Your file is back from underwriting and I have to redo the contract and get you both to sign it. The underwriter wants a clearer copy I'm waiting for it to come back from the sellers since they are harder to get signatures from then you and Steve. So far everything is looking good and as soon as the bank gives me a closing date I will let you know. It does look like the house will close before the end of the year.
Ricks son is doing very well to the treatments. Prayers are definitely working!!!
Let me know if you need anything else.
Thanks, Susan

snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Thursday, November 15, 2012 3:57 PM
To: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Cc: Cross,Doreen
Subject: Re: Buttermut Repairs

OK I just wanted to see how you guys were feeling about yesterday since we haven't really talked.

On Fri, Nov 16, 2012 at 10:52 AM, Cross,Doreen < Doreen.Cross@tridenttech.edu> wrote:

Remember, you asked...

I believe Eugene came in with a preconceived notion as to the structural condition of the home. Not that I didn't enjoy the lesson on supply and demand, and what the rest of the world builds homes of... So, the question I wanted answered, still isn't answered definitively. No moisture test was done in the crawlspace, and Eugene acted indignant when I questioned him about it (he had a long strip of insulation and spider webs draped over his shoulder like tinsel; -you had to be there ☺). Apparently he's too important to carry a moisture measuring device??? He did state that moisture doesn't play a role in the stability of structures. He's a character!

Tom finally conceded there are termites living under the house (I had to practically make him kiss one – I have pictures!); he doesn't do chemicals. And, Tom finally admitted it's been four years since the septic system was pumped. He's adamant that it doesn't need to be pumped because he uses enzymes and natural bacteria. He says the system doesn't need to be pumped, no matter what Knight's says. "They're just out to make a quick buck." I think I made it clear to him that when/if it's my tank, I don't want his crap in it.

Tim looked overwhelmed by the extent of the small detail work that needed to be done, and we were all surprised when Tom announced that the interior walls were all steel and not wood, as we were previously told. Not to mention that the shoddy baseboards are super-glued to the sheetrock. Plus, I never went into the hallway bathroom, which was one of my largest concerns. I do have pictures of the moisture in the subfloor and corrosion on the steel and hardware from the crawlspace. I meant to ask you about the electrical. It appears none of the work was done by a certified electrician??? If only Tom were as handy as he thinks he is.

The highlight for me was when Steve found my keys. I'm interested in your thoughts.

My mortgage company says a realtor has been contacting them to see how the loan is going? Any new information on when the property lines will be recorded? When are the termites going to be exterminated? Can we hold Eugene liable if future information becomes available contradicting his report? I sounds like it will be a challenge to take the information from Tim and use it in the counter-offer. When can we expect his estimates? Thanks, - Doreen

---

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Friday, November 16, 2012 12:04 PM
To: Cross,Doreen
Cc: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Subject: Re: Buttermut Repairs

You make me laugh!!!!

OK, after you left I went inside to speak with the sellers. I wanted to make sure they knew how important it was that we had licensed contractors to evaluate the issues and make the necessary repairs. After a lengthy conversation I think they understand. I also went into the issue on the septic tank and explained that it really needed to be serviced. I will get with Tim about his assessment with the repairs...I think he thought it would be a simple look at quote, but since there is so much cosmetic work he needed to put more thought into it and price everything by the foot. He can defiantly handle it he just wants to make sure he covers everything. Also, the sellers did make a comment that maybe they needed to get Tim in to look over the repairs they said they would do since he is licensed so I may have him do that as well if ok with you. Tim also said he thought the home was structurally good and felt good with the engineers assessment. As to the engineer and his moisture reader that isn't in his scope of work. A licensed pest control company will go under the home and give a moisture reading as well as the termite issue. Keep in mind that when you have a crawl space you have air flow as well as moisture flowing if you don't want any moisture issues at all you can have a company come out and totally close it in and install fans. A lot of people do that, but it is pricey. The way the home is now is fine just as long as the pest company ok's it. I believe the mortgage company requires it to be under 25% and the contract is contingent upon having this as well as the mortgage company satisfaction at sellers expense.

The engineer is suppose to give paperwork to the owners with this red stamp about the structure, which you will need in case you purchase the property and then decide to sell later because this issue may come up again. This also shows that the engineer is putting his license and name to his findings so they don't take it lightly. I also asked the sellers about the survey and they were checking on it. I told them that the mortgage company will not do anything until we have that. I've contacted your mortgage company checking in to see where we were with everything. She said she was waiting to hear from you before scheduling the appraiser (which will take about 2 weeks before getting back). She also said she may need to get updated paystubs and bank statements as well. Let me know if you have any other questions.
Thanks, Susan

R 18

From: Williams, Allison [mailto:AWilliams@Firstfederal.com]
Sent: Monday, October 22, 2012 2:50 PM
To: Cross,Doreen
Subject: cost worksheet

Hey, This is my first time using this format. This is not a Good Faith Estimate, because we are not permitted to give those until you apply for the loan. This is a "closing cost worksheet". Let me know if you have questions about anything on it. It auto adds these things together & I'm assuming it all works. I'll send over a pre-approval letter shortly. Thanks!

The information in this message, along with any attachments, is confidential and intended solely for the addressee(s). First Federal disclaims any responsibility for the contents of this message and attachments, if any. If you are not the intended recipient of this message, please contact the sender by reply e-mail and destroy all copies of the original message. Unauthorized review, use, disclosure or distribution is prohibited.

Copy of FFcostbreakdown.xls
2/10/2013 1:08 AM, 48.0KB

From: Williams, Allison [mailto:AWilliams@Firstfederal.com]
Sent: Monday, October 22, 2012 2:53 PM
To: Cross,Doreen
Subject: pre-app letter

Hey, Here's the letter. Let me know if you need something different. Keep me posted girl. Thanks! Allison

The information in this message, along with any attachments, is confidential and intended solely for the addressee(s). First Federal disclaims any responsibility for the contents of this message and attachments, if any. If you are not the intended recipient of this message, please contact the sender by reply e-mail and destroy all copies of the original message. Unauthorized review, use, disclosure or distribution is prohibited.

pre-app letter.doc
2/10/2013 1:16 AM, 38.0KB

From: Cross,Doreen [mailto:Doreen.Cross@tridenttech.edu]
Sent: Wednesday, October 24, 2012 9:18 AM
To: Williams, Allison
Subject: Offer Accepted

...ks for sending everything. They accepted our counter-offer of $303,000 and buyer's closing costs not to exceed $5,000; so basically $298k. The sellers want to close ...the end of November. No, the land hasn't been surveyed or split up yet. Still one TMS. They are supposed to be working on this ASAP. You will be setting up the appraisal? I called my insurance company (USAA) and gave them details; they said they would contact you with the information you need. What else do you need from me and Steve? Thanks, -Doreen [574-6956]

From: Cross,Doreen [mailto:Doreen.Cross@tridenttech.edu]
Sent: Wednesday, October 24, 2012 10:59 AM
To: Williams, Allison
Cc: 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300'
Subject: RE: Offer Accepted

Hi. See inline responses: - Doreen [574-6956]

> From:
> Williams, Allison [mailto:AWilliams@Firstfederal.com]
> Sent: Wednesday, October 24, 2012 10:02 AM
> To: Cross,Doreen
> Subject: RE: Offer Accepted
> Sent:
> Wednesday, October 24, 2012 10:02 AM
> To:
> Cross,Doreen
> Subject:
> RE: Offer Accepted
>
> Hey, I need a lot from you. I need the signed contract first.
> [Susan Nicholson from Carolina One will get this to you ASAP] Are you doing a home inspection? [Yes. Susan is getting estimates right now; this will also happen ASP] I don't really like to start anything until that is done because it can kill the deal if it goes south. [makes sense] Let me know about the inspection... End of November closing may be ok if all other things go smooth. I'm not sure how the appraiser can do the appraisal if the TMS #'s aren't separated. I think that could be a big problem and delay the transaction. I have a feeling he won't be able to do it until the property is divided. [I feel you're probably right. Are you going to check with an appraiser to make sure?] Tell me about the inspection and we'll go from there. [Will do.] Thanks again.

From: Williams, Allison [mailto:AWilliams@Firstfederal.com]
Sent: Wednesday, October 24, 2012 12:23 AM
...Cross,Doreen
...ct: Offer Accepted

I'm going to try to find out about the appraisal issue. I emailed someone here at the bank & haven't heard yet. Do the inspection asap & if all goes well with that, we'll continue... I just wonder how long it will take that man to separate that property thru the county. It has to be approved by them before he can do it and I think he has to have the survey done to submit the request to the county...Hopefully, he's done his homework...

From: Cross,Doreen
Sent: Wednesday, October 24, 2012 10:28 AM
To: 'Susan Nicholson'; 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300'
Subject: RE: Updated contract...

ATTACHMENT [recv14645-001_r1.pdf] ——> CONTRACT

Here you go; reviewed, initialed, and dated by both of us.

See inline below:

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Wednesday, October 24, 2012 9:43 AM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Updated contract...

Hey, Attached are the pages that we changed in the original offer. I need you both to review and initial by the X and date it. I need to get this as soon as possible. If it is easier for me to meet with you to get initials just let me know and I can arrange that. See below list of the process:

1. Need ratified contract. This is you, Susan?
2. Apply for loan. Mortgage company will need copy of ratified contract. In the works. Will put together after the inspection.
3. Arrange for a home inspection ASAP. I will get quotes and get them to you so you can decided who to go with. [sounds good] If you want to get the contractors in to get quotes on the floors and paint then we need to make that arrangement as well. [Steve is working on this]
4. Do you want a survey? [not necessary since required by seller] If so it will be an additional cost to you. I will need to get this arranged as well. Keep in mind the current owner will need to do this in order to get the property subdivided. [what about the actual property division? More drive, less depth, less drive, more depth?] I have in the contract for you to receive a copy of it. [excellent!]
5. After the home inspection we need to go over everything to see if we want to proceed. If we move forward then we will need to get a closing attorney [Wooddy Law Firm LLC, 597 Old Mount Holly Road #202, Goose Creek, SC 29445]. I will get you info. so you can choose who you want to go with. [not necessary]
6. We will receive copy of CL100 and address any issues if any. This is the responsibility of the Seller. We will need to decide if we will move forward after seeing this. [This is very important to us. Who certifies it is authentic and when it was done?]
7. If we get to this point then we will be ready to close!

Let me know if you have any questions.
Thanks,
Susan Nicholson
Carolina One Real Estate

From: Cross,Doreen
Sent: Wednesday, October 24, 2012 10:41 AM
To: 'Susan Nicholson'; 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300'
Subject: RE: Updated contract...

This is our Mortgage Loan Officer:
First Federal
Allison Williams: awilliams@firstfederal.com
843.529.5894 and 843.875.1338 (fax)

Allison is a bit concerned about the end of November. She doesn't think the appraiser will be able to go in until the property is divided. She doesn't know how it can be done until both TMS #s are in place. The Seller could always throw in the extra acreage and the barn and we'll guarantee the end of November for sure. We're willing to do that. ☺

Will you provide her with the signed contract, or will I? Thanks, - Doreen

---

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Wednesday, October 24, 2012 10:47 AM
To: Cross,Doreen
Subject: Re: Updated contract...

I will forward to her as soon as I get it back from the seller. If the home isn't subdivided in time then it will be their fault not yours. I will express the importance of having this subdivided asap and let the other agent know what your mortgage lady is saying. I'm working on home inspection info. now so we can get that done asap not to delay anything. If the seller wants to throw in any additional property I'm sure you will be ok with it the trick is to get him to do that with out any extra charge! You never know he may throw you guys a deal you can't refuse!
Thanks, Susan

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Wednesday, October 24, 2012 12:12 PM
To: Cross,Doreen
Cc: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Subject: Re: Updated contract...

Hey, OK the other agent called and said they need to meet with us to make sure we are on the same page of where the boundaries of the property so they can get the surveyor out there asap. When can you meet? I have showings this afternoon till about 4:30 pm then church at 7 or we can meet tomorrow when you get off work. I received notice that the home inspector that I use is very familiar with this type of construction the cost for the home inspection is $490 is it ok to set it up?
Thanks, Susan

From: Cross,Doreen
Sent: Wednesday, October 24, 2012 12:18 PM
To: 'Susan Nicholson'
Cc: 'Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220'
Subject: RE: Updated contract...

I can do it today when you are done with showings or tomorrow. What's best for you Steve?
Yes, go ahead and set up the inspector. Thanks, - Doreen

On Wed, Oct 24, 2012 at 12:40 PM, Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220 <stephen.c.dudek.ctr@navy.mil> wrote:
Just give me a time.

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Wednesday, October 24, 2012 12:46 PM
To: Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63220
Cc: Cross,Doreen
Subject: Re: Updated contract...

I left a message with him that we will meet him at 4:30 today.
Thanks, Susan

December 2012

[redacted]

Dec 1

6

7

8

DEC03: RECEIVE INITIALED COPY OF REPAIR ADDENDUM WITH NOTES

REC'D INITIALED REPAIR ADDENDUM, SEPTIC & ELECTRICAL STATEMENTS

EMAILED MORTGAGE OFFICER TO PROCEED, RECEIVED OOO MESSAGE

MORTGAGE OFFICER BEGINS PROCESS

CLOSING ATTORNEY NEEDS PROOF TERMITE DAMAGES HAVE BEEN REPAIRED

APPRAISAL ORDERED

SELLER AGENT'S SON IS INJURED AND WILLIS ASKS BUYER'S AGENT TO WORK DIRECTLY WITH THE SELLER TO GET MISSING INFORMATION

END WEEK 06

9 10 11 12 13 14 15

SELLER DECIDES THE BUYER WILL PAY $1350.00 AT CLOSING FOR TERMITE-RELATED COSTS

RECEIVED APPROVAL LETTER

CLOSING ATTORNEY NEEDS REPAIR INFORMATION FOR THE CL-100

APPRAISAL RECEIVED

FILE IS BACK FROM UNDERWRITING

SELLER'S AGENT REQUESTS LOAN APPROVAL LETTER

SELLER'S AGENT DROPPED OFF LEGIBLE COPY OF CONTRACT IN CO'S DROPBOX AT 5:30PM

END WEEK 07

16 17 18 19 20 21 22

SELLERS SENT RELEASE TO END THE CONTRACT #1, TIME 4:49PM

SELLERS SIGNED NEW CONTRACT (#2) WITH MORPHEW, NO TIMES ON EITHER DOCUMENT

NOV14: BUYER'S AGENT REQUESTS A LEGIBLE COPY OF CONTRACT, MISSING ADDENDUMS, CONTRACTOR LETTER OF TERMITE DAMAGE, HVAC, AND PLUMBING STATEMENTS SATISFIED

23 24 25 26 27 28 29

DEC16: REC'D HVAC STATEMENT. TIME 2:41PM. INSPECTION DATE 082112, CANNOT FIND CONTRACTOR IN SC REGISTRY

30 31

[redacted]

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Wednesday, November 07, 2012 2:11 PM
To: Cross,Doreen; Dudek, Stephen C CTR SPAWARSYSCEN-ATLANTIC, 63300
Subject: Fwd: Buttemut Home Inspection

Hey, see below response from the seller. Also, I'm still working on the structural engineers they are reviewing everything now and I'm waiting on their response. Also, waiting on the contractor info. on what it would cost for the repairs. Thanks, Susan

Rick,
In regards to the home inspection, we will have the structural integrity inspected and any water leak issues with the hallway bathroom resolved along with subfloor replacement if needed, and whirlpool bath in master hooked up. Electrical wires will be cleaned up and covered, outlets fixed, gfi upstairs and breakers labeled. Clean termite inspection

Thanks,
Tom

Susan, Below is an email from the seller with the repairs he is willing to do.

Charlene
The Willis Team, Llc

Gmail

Rick Willis< rwillisteam@gmail.com>

Butternut Repairs

3 messages

Rick Willis < rwillisteam@gmail.com> Mon, Nov 12, 2012 at 6:48 AM
To: Susan Nicholson <snicholson@carolinaone.com>

Susan,

This is easier than to try and find emails within emails.

I copied the specifics of what Mr. Ferro will do on the repairs list requested by your buyers.

Please see below:

Rick,
In regards to the revised addendum of repairs:

A1. Will have structural engineer out on Wed, 10 am for exterior inspection

B 1. Will replace tub spout
3. Will supply extra flooring
4. Will have possible leak in hallway tub inspected and repaired if necessary
6. Will secure exterior hose valve

D. Electrical issues 1-6 will be resolved

Thank you,
Tom

Seller said he would do These

--
Rick
843-327-3017
Charlene
843-327-3018
843-971-4002

From: Susan Nicholson < snicholson@carolinaone.com >
To: ftomferro@bellsouth.net
Sent: Thu, December 6, 2012 1:11:19 PM
Subject: Buttemut paperwork to close

ATTACHMENTS: 310 - Agreement to BuySell Real Estate Residentail - 108.pdf; 390-1 - Addendum #1 -108.pdf; 390-2 - Addendum #2 - 108.pdf; Buttermut Plat.pdf

Hey,

I just got word from Rick about his son. He told me to contact you direct to get the necessary paperwork that the Buyers lender is needing done asap so it wont have any further delays with closing.

Attached is the 1st page of the contract where we needed to add the sellers name. It wasn't on the ratified contract and the bank is requesting that is done. Therefore, I added your names and I need you both to initial by the X and return to me.

There is another addendum attached extending the closing date. The Buyers lender is working very hard to get this home to close as soon as possible. As I explained before, we needed the recorded final survey for them to continue with the loan which we received last week. Then our mortgage officer was at a mandatory meetings for 3 days. The mortgage officer said that she really wants the addendum to state on or before December 28th because they don't have a confirmed date yet until they receive all the necessary documents which includes the appraisal and the attached documents so they can send to the underwriter for their approval. Once we have that then we can confirm a closing date. If I put any sooner date to close and the lender has to delay it then we will have to do another extension and we all don't want that. We understand the urgency of you getting this to close and are working very hard to accomplish that.

Lastly, is the addendum of the repairs that you and the buyers agreed to. The lender is needing something more clear as well as all the receipts or letters that correspond to show they are done (I have the electricians, engineer, and septic info. I still need the HVAC, Licensed Plumber, Termite Treatment and Licensed Contractor report for the termite damage). I need you both to sign and initial where noted and send back to me. Also, I just received a copy of the CL100 report and on the report it states that there is termite damage the bank will need a letter from a certified licensed contractor to evaluate. If they decide that repairs are needed then those repairs need to be completed and a receipt of work completed needs to be sent to the lender. We also need something from the termite company that they took care of the termites. The report states that they didn't do any treatment. I know they were there the other day doing work so I just need info. that they took care of that. If you need a contractor to look at the damage Scott at Vaskos Quality Builders is the gentlemen I had there the other night his number is *851-2133*. I am also still waiting to hear back from him on the plumbing issues with the hall bath.

I will be happy to pick these documents up if you need me to, but we really need to get these over to the lender asap. I know this all has been very fustrating, but please bear with us a little longer and we will have this done. I thank you in advance for your patience and understanding. If you need anything from me please don't hesitate to ask.

Sincerely,
Susan Nicholson
Carolina One Real Estate

From: THOMAS FERRO <ftomferro@bellsouth.net>
Date: Sun, Dec 9, 2012 at 11:51 AM
Subject: Re: Buttemut paperwork to close
To: Susan Nicholson <snicholson@carolinaone.com>

Susan,
I will pay the 150.00 to inspect the the termite damage . But the buyer will pay the balance of the termite treatment
I paid the 600.00 for the cl 100 the balance to be paid by buyer 1350. at closing

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On Mon, Dec 10, 2012 at 12:42 PM, Susan Nicholson < snicholson@carolinaone.com > wrote: To Rick Willis

Hey, I hate to bother you with everything going on with your son, but I received the below ABOVE email this morning. Did you ever talk to him? I called the termite people to get a couple of questions that my clients have answered and they told me that they were already doing the work. My clients will have an issue with this because they haven't agreed to this but he already is doing it. Did the contractor contact you about looking at the termite damage? Also, the bank is still asking for the addendum's that we sent over about the closing date extension and repairs. Can get me those?
Thanks so much,
Susan Nicholson
Carolina One Real Estate

On Thu, Dec 13, 2012 at 2:45 PM, Cross,Doreen < Doreen.Cross@tridenttech.edu> wrote:

Hi Susan, How are things coming along? What did the contractors estimate for the termite and the hall bath damage? Do we have an appraisal yet? Do you know when Wooddy is shutting down for Christmas? Thanks, -Doreen (574-6956)

Do you know Rick's sons condition?

From: snicholson@carolinaoneplus.com [mailto:snicholson@carolinaoneplus.com] On Behalf Of Susan Nicholson
Sent: Friday, December 14, 2012 9:02 AM
To: Cross,Doreen
Cc: Dudek, Stephen C CIV SPAWARSYSCEN-ATLANTIC, 63300
Subject: Re: Checking In

Hey, Sorry for my late reply...I didn't get home till after 9 last night and I collapsed. Things are coming along well. I'm still waiting on the letter about the termite damage but I do have the estimate for the repairs on the bathroom. The only repairs he said are needed is the cosmetic repairs. Under the house is fine. The major expense is in the replacement and repair to the wood floors so I'm getting an estimate from a wood floor company to see what the cost is to refinish all the wood floors so they can be done at 1 time. I will forward you the estimate from the contractor shortly. As of 2 days ago we haven't received the appraisal but Allison said probably today or 1st of next week. We are also waiting on the title work to come back from the attorney's office. Your file is back from underwriting and I have to redo the contract and get you both to sign it. The underwriter wants a clearer copy I'm waiting for it to come back from the sellers since they are harder to get signatures from then you and Steve. So far everything is looking good and as soon as the bank gives me a closing date I will let you know. It does look like the house will close before the end of the year.
Ricks son is doing very well to the treatments. Prayers are definitely working!!!
Let me know if you need anything else.
Thanks, Susan

Gmail

Rick Willis< rwillisteam@gmail.com>

788 E. Butternut

2 messages

Rick Willis < rwillisteam@gmail.com> Sun, Dec 16, 2012 at 4:49 PM

To: Susan Nicholson <snicholson@carolinaone.com>

Susan,

As you can see by the email below the sellers of 788 E. Butternut have tendered written communication that they choose to terminate the contract of sale with your clients.

Please find attached a release signed by the sellers for you to obtain the signature of your clients.

As you can see by way of the wording in both paragraph 3 and 8 of the purchase agreement the words **time is of the essence** is bolded and underlined.

Paragraph 8 clearly states "Buyer will take any action that is needed or requested by lender to process the loan application." .....Obviously since the appraisal was not done or completed until this past week the buyer obviously did not authorize the lender to order the appraisal or stopped the appraisal process if the lender attempted to order the appraisal earlier.

The sellers decision is final and not subject to negotiation.

Respectfully,

Rick
843-327-3017
843-971-4002

---------- Forwarded message ----------
From: **THOMAS FERRO** <ftomferro@bellsouth.net>
Date: Sun, Dec 16, 2012 at 3:27 PM
Subject: contract cancellation

RELEASE OF AGREEMENT TO BUY AND SELL REAL ESTATE

This release entered into this 16th day of December, 2012, between the undersigned Buyer(s), the undersigned Seller(s), and the undersigned Brokers for that certain Agreement to Buy and Sell Real Estate dated 10/20/12, _____, covering the following property located in:

Lot _____ Block _____ Section _____ Subdivision _____

Address 788 E. Butternut

Tax Map 128-00-00-090 City Summerville Zip 29483

County of Dorchester, State of South Carolina.

WITNESSETH: That each of the parties hereto in consideration of each of the parties releasing all of the other parties from the aforesaid Agreement to Buy and Sell Real Estate, do hereby release each of the other parties and Escrow Agent to said Agreement from any and all claims, actions or demands whatsoever which each of the parties hereto may have up to this date against any of the other parties hereto by reason of said Agreement to Buy and Sell Real Estate.

It is the intention of this Agreement that any responsibility or obligations or rights by virtue of said Agreement are by this release declared null and void and of no further force or effect.

The Escrow Agent holding the deposit under the terms of said Agreement is hereby directed and instructed forthwith to disburse said deposit held in escrow in the following manner:

$ 1,000.00 To Stephen Dudek, Doreen Cross

$ _____ To _____

$ _____ To _____

_____ To _____

Other _____

IT IS FURTHER understood and agreed that this Release is executed by the undersigned voluntarily and is not based on any representations made by any other party hereto or by the Escrow Agent.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Buyer Stephen Dudek _____ Date

Buyer Doreen Cross _____ Date

Seller Thomas Ferro 12/16/12 Date

Seller Lorraine Ferro 12/16/12 Date

BROKER/LISTING Rick Willis/The Group, Llc 12-16-12 Date

BROKER/SELLING Carolina One _____ Date

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THE STATE OF SOUTH CAROLINA
In the Court of Appeals

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APR 21 2015
SC Court of Appeals

APPEALS FROM DORCHESTER COUNTY
Court of Common Pleas

The Honorable James E. Chellis
Master of Equity

Appellate Case No. 2014-002633

Molly M. Morphew, Thomas M. Ferro and Lorraine B. Ferro..... Appellants

v.

Stephen Dudek and Doreen Cross..... Respondents

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that this Record on Appeal contains all materials proposed to be included by any of the parties and not any other material.

Molly M. Morphew, *pro se*
788 E Butternut Rd.
Summerville, SC 29483
firegirl0926@yahoo.com
(843) 514-7299

April 6, 2015