

22988

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

RECEIVED

JAN 17 2017

SC Court of Appeals

APPEAL FROM YORK COUNTY
Court of Common Pleas
S. Jackson Kimball, Circuit Court Judge

C.A. Nos: 2013-CP-46-00438; 2013-CP-46-00440
Appellate Case No: 2016-001272

Robert Clay Sparrow and Mickey Crowe..... Respondents,

v.

Fort Mill Holdings, LLC, David Baucom and Maurer Holdings,
LLC..... Appellants.

RECORD ON APPEAL

VOLUME II

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(864) 233-4781 (Fax)
Attorney for Appellants

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Margaret N. Fox
GRIFFIN DAVIS, LLC
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Columbia, SC 29201
(803) 744-0800
Attorneys for Respondent

January 10, 2017

INDEX

I. ORDERS

Order for Judgment filed March 30, 2016	1
Order Denying Motion to Alter or Amend Judgment filed May 23, 2016	6

II. PLEADINGS

Summons and Complaint (2013-CP-46-00438) filed February 8, 2013	10
Summons and Complaint (2013-CP-46-00440) filed February 8, 2013	42
Motion to Dismiss of Baucom, Answer and Counterclaims of Defendants (2013-CP-46-00438) filed March 29, 2013	79
Motion to Dismiss of Baucom, Answer and Counterclaim of Defendants (2013-CP-46-00440) filed March 29, 2013	88
Reply (2013-CP-46-00438) filed May 28, 2013	97
Reply (2013-CP-46-00440) filed May 28, 2013	100
Amended Reply (2013-CP-46-00438) filed August 5, 2013	103
Amended Reply (2013-CP-46-00440) filed August 5, 2013	108

III. TRANSCRIPTS

Transcript of Record dated March 24, 2016	113
Transcript of Record dated May 10, 2016	137

IV. OTHER MATERIALS

A. Motions & Memoranda

Motion to Compel Settlement filed December 22, 2015	155
Defendants' Motion to Alter or Amend Judgment Pursuant to Rule 59(e) SCRCP (2013-CP-46-00438) filed April 12, 2016	161
Defendants' Motion to Alter or Amend Judgment Pursuant to Rule 59(e) SCRCP (2013-CP-46-00440) filed April 12, 2016	169

Memorandum in Opposition to Plaintiffs' Motion to Compel Settlement (C.A. No. 2013-CP-46-00438) filed March 30, 2016	177
Memorandum in Opposition to Plaintiffs' Motion to Compel Settlement (C.A. No. 2013-CP-46-00440) filed March 30, 2016	233
Joint Memorandum in Support of Plaintiffs' Motion to Compel Settlement (C.A. No.: 2013-CP-46-00438 & 2013-CP-46-00440) filed April 1, 2016	286
B. Notice of Appeal	
Appellants' Amended Notice of Appeal filed June 21, 2016	397
C. Affidavits	
Affidavit of David Baucom (2013-CP-46-00438) filed March 30, 2016	399
Affidavit of Tracy Goins (2013-CP-46-00438) filed March 30, 2016	422
Affidavit of David Baucom (2013-CP-46-00440) filed March 30, 2016	443
Affidavit of Tracy Goins (2013-CP-46-004440) filed March 30, 2016	463
Affidavit of G. Franklin Pendleton, II March 16, 2016	484
D. Other	
Settlement Agreement, signed October 7, 2014	486
Assignment of Mortgages signed by Mickey Crowe on October 1, 2014	490
Promissory Note 1 and Mortgage recorded December 30, 2011, in Record Book 12360, p. 239, RMC Office for York County, South Carolina	494
Promissory Note 2 and Mortgage recorded December 30, 2011, in Record Book 12360, p. 230, RMC Office for York County, South Carolina	501
E. Certificate of Counsel	
Certificate	508

STATE OF SOUTH CAROLINA)
)
COUNTY OF YORK)
)
Robert Clay Sparrow and Mickey)
Crowe,)
)
)
Plaintiffs,)
)
vs.)
)
Fort Mill Holdings, LLC and)
David Baucom,)
)
)
Defendants.)

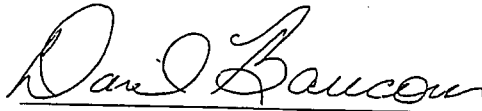
IN THE COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT
C.A. NO.: 2013-CP-46-00438
AFFIDAVIT OF DAVID BAUCOM

PERSONALLY APPEARING BEFORE ME the undersigned, who after being duly sworn, deposes and states as follows:

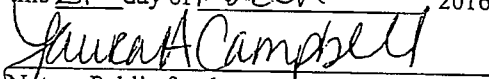
1. My name is David Baucom, and I am a named Defendant in the above-captioned matter. I am and was at all relevant times a resident of the State of North Carolina.
2. I am over the age of eighteen, have personal knowledge of the matters set forth herein (except matters stated upon information and belief, which I believe to be true), and am fully competent to testify as to the same.
3. The above-captioned matter and a related case, Robert Clay Sparrow and Mickey Crowe v. Maurer Holdings, LLC and David Baucom, C.A. No. 2013-CP-46-00440, pertain to the foreclosure of two parcels of real property in York County, South Carolina ("Subject Property") and collection on two North Carolina purchase money promissory notes. A copy of the purchase money note for Fort Mill Holdings, LLC is attached as Exhibit 1.
4. For approximately twelve years prior to Maurer Holdings and Fort Mill Holdings purchasing the Subject Property, I leased the Subject Property. During that period, I made significant improvements to the same.
5. Clay Sparrow approached me to discuss purchasing the Subject Property, and I expressed reluctance to do so.
6. Mr. Sparrow assured me that if we could not make the payments, we could simply turn the property back over to him.
7. Based on that representation, we reached an agreement for the purchase of the Subject Property, and Mr. Sparrow had his attorney, Jeff Smith, draft the documents.

8. Upon information and belief, Mr. Smith was licensed to practice law in North Carolina but not in South Carolina.
9. My daughter, Tracy Goins, and I attended the closing in Charlotte, North Carolina, and upon request of Sparrow's attorney, we signed any documents related to the transaction that he presented to us. The closing took place on or about December 1, 2011.
10. I was always under the belief that if the payments were not made that Sparrow would accept a return of the property and that no deficiency could be sought against me. We only made full payments through May 2012.
11. On Friday, September 28, 2012 my daughter was contacted via email by Jeff Smith. A fair and accurate copy of said email is attached as Exhibit 2. In the email, Mr. Smith requested, on Mr. Sparrow's behalf, that the property be deeded back to Sparrow in lieu of foreclosure.
12. My daughter consulted with me regarding the situation and I instructed her to notify Mr. Smith that we would sign the property back over to Sparrow, which she did on October 1, 2012. A fair and accurate copy of the email thread is attached as Exhibit 3.
13. On November 6, 2012, Mr. Smith notified my daughter that Mr. Sparrow wanted to make sure he was able to extinguish any potential liens on the property so he would proceed with a foreclosure to make sure any liens were extinguished. A fair and accurate copy of said email is attached as Exhibit 4.
14. On February 8, 2013, Plaintiffs filed this action.
15. On October 7, 2014, a mediation was held, and a copy of the resulting "Settlement by Mediation" document is attached as Exhibit 5. Clay Sparrow and I attended mediation along with counsel. Neither Mickey Crowe nor my daughter attended mediation. My daughter signed the document at a later time.
16. "Formal documents" referenced in Paragraph 4 of Exhibit 5 were never executed.
17. Upon information and belief, no settlement hearing was held and no stipulation of dismissal was signed or recorded.
18. I never signed a confession of judgment.
19. Upon information and belief, North Carolina has an anti-deficiency statute which prevents Plaintiffs from seeking a deficiency judgment against me in a seller-financed transaction like the one at issue in this case. I was not aware of this law at the time of mediation and never would have signed the "Settlement by Mediation" document if I had known about it.

20. With regard to the Subject Property, I dispute that I am responsible for any expenses related to the same after the Subject Property was offered back to Plaintiffs in or before October 2012.
21. The portion of the Subject Property owned by Fort Mill Holdings was sold at a tax sale last fall. Plaintiffs were aware of the sale before it occurred, and Plaintiff Clay Sparrow attended the sale. Upon information and belief, he did not bid on the Subject Property.
22. A fair and accurate copy of a redemption letter pertaining to the Fort Mill Holdings property is attached as Exhibit 6. Although I dispute that I owe anything with regard to the Subject Property, I am able to redeem said property if required to do so by the Court.
23. I respectfully request that the Court allow the case to go forward on the merits and that the Court deny Plaintiffs' Motion to Compel Settlement.


David Baucom

SWORN TO AND SUBSCRIBED before me
this 21st day of March, 2016


Notary Public for the
State of North Carolina

My commission expires: 7/24/2016

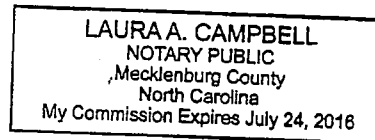


EXHIBIT 1

AFFIDAVIT OF DAVID BAUCOM

SATISFACTION: The debt evidenced by this Note has been satisfied in full this _____ day of _____

Signed: _____

PURCHASE MONEY PROMISSORY NOTE

S907.300.00

Charlotte, N.C.
December 1, 2011

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of NINE HUNDRED SEVEN THOUSAND THREE HUNDRED DOLLARS (\$907,300.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

In 240 consecutive and equal payments of \$7,034.29 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or Mortgage or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina. This Note is given for the balance of purchase price for the property located off Highway 51, Fort Mill, SC, and is secured by a Purchase Money Mortgage or Deed of Trust or Mortgage, which is a first lien upon said property.

IN TESTIMONY WHEREOF, the corporate maker has caused this instrument to be executed in its corporate name by its Manager, by the authority duly given by its managers and members, the day and year first above written.

Fort Mill Holdings, LLC

By: Tracy Goins
Tracy Goins, Manager

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

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David Baucom (SEAL)
David Baucom, Guarantor

EXHIBIT 2

AFFIDAVIT OF DAVID BAUCOM

Tracy Goins

From: <jsmithlaw@bellsouth.net>
Date: Friday, September 28, 2012 4:17 PM
To: "Tracy Goins" <tracy@exotictravelplans.com>
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property. He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes. David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property. Please pass this along to David and ask him to contact either Clay or me to discuss this matter. Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

|
|

9/9/2014

EXHIBIT 3

AFFIDAVIT OF DAVID BAUCOM

Tracy Goins

From: <DBaucom733@aql.com>
Date: Monday, October 1, 2012 6:00 PM
To: <tracy@exotictravelplans.com>
Subject: Re: Fw: Carowinds Property

tell him yes we will sign it back over

In a message dated 10/1/2012 12:00:46 P.M. Eastern Daylight Time, tracy@exotictravelplans.com writes:

----- Original Message -----

From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Friday, September 28, 2012 4:17 PM
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property. He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes. David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.

Please pass this along to David and ask him to contact either Clay or me to discuss this matter. Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

Tracy Goins

From: <jsmithlaw@bellsouth.net>
Date: Tuesday, November 6, 2012 2:36 PM
To: "Tracy Goins" <tracy@exotictravelplans.com>
Subject: Carowinds Property

Hi Tracy,

Clay is concerned about the possibility of contractor liens attaching to the property since he knows substantial work was done there and wants to make sure any possible lien rights are extinguished so he is going forward with foreclosing his mortgages.

Jeff Smith

--- On Tue, 11/6/12, Tracy Goins <tracy@exotictravelplans.com> wrote:

From: Tracy Goins <tracy@exotictravelplans.com>
Subject: Fw: Carowinds Property
To: jsmithlaw@bellsouth.net
Date: Tuesday, November 6, 2012, 2:05 PM

Hi Jeff,

Never heard back from you on the below mentioned meeting? Please advise?

Thank You,
Tracy

----- Original Message -----

From: Tracy Goins
To: jsmithlaw@bellsouth.net
Cc: David "Slim" Baucom
Sent: Thursday, October 11, 2012 10:35 AM
Subject: Re: Carowinds Property

Hi Jeff,

I'm available anytime that is convenient for you other than next Monday! I'm waiting to hear back from Mr. Maurer as to when he can go. Is this something that can be faxed to him? Since I don't think he ever signed any of the original paperwork. Please advise what works best for you.

Thank You,
Tracy Goins

----- Original Message -----

From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Tuesday, October 09, 2012 3:00 PM
Subject: Re: Carowinds Property

9/9/2014

Hi Tracy,

When would you and Mr. Mauer like to come in and sign the deeds conveying the properties to Clay Sparrow and Mickey Crowe?

Jeff Smith
704-331-0131

--- On Wed, 10/3/12, Tracy Goins <tracy@exotictravelplans.com> wrote:

From: Tracy Goins <tracy@exotictravelplans.com>
Subject: Re: Carowinds Property
To: jsmithlaw@bellsouth.net
Cc: "David "Slim" Baucom" <DBaucom733@aol.com>
Date: Wednesday, October 3, 2012, 11:25 AM

Hi Jeff,
Please, let me know if you will need Mr. Maurer I do think he is the manager on the other deed. He has been really sick this week and will not be able to come this week. If we could schedule something for mid-week next week that would be great. Please, let me know what works best for you. Thank You, for all your help.

Thank You,
Tracy

----- Original Message -----
From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Tuesday, October 02, 2012 2:51 PM
Subject: Re: Carowinds Property

Hi Tracy,

I can get the new deeds ready tomorrow. Can David come by sometime Thursday? It may not be David who is needed to sign. I need the manager of each LLC. I think you were manager of one and Mauer was the manager of the other. Please let me know who will be signing as manager for each LLC and I will prepare the deeds accordingly.

I'm pretty available most of the day Thursday so please let me know what will work on your end. Please let me know if you have questions or wish to further discuss.

Thanks,

Jeff Smith
704-331-0131

9/9/2014

--- On Tue, 10/2/12, Tracy Goins <tracy@exotictravelpans.com> wrote:

From: Tracy Goins <tracy@exotictravelpans.com>
Subject: Re: Carowinds Property
To: jsmithlaw@bellsouth.net
Date: Tuesday, October 2, 2012, 2:25 PM

Hi Jeff,
Spoke with Dad and he will deed the property back to Clay. Please, let me know what needs to be done for this to happen.

Thank You,
Tracy

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David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.

Please pass this along to David and ask him to contact either Clay or me to discuss this matter.

Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

EXHIBIT 4

AFFIDAVIT OF DAVID BAUCOM

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Cc: David "Slim" Baucom
Sent: Thursday, October 11, 2012 10:35 AM
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Thank You,
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Cc: "David "Slim" Baucom" <DBaucom733@aol.com>
Date: Wednesday, October 3, 2012, 11:25 AM

Hi Jeff,
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Thank You,
Tracy

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To: Tracy Goins
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Subject: Re: Carowinds Property

Hi Tracy,

I can get the new deeds ready tomorrow. Can David come by sometime Thursday? It may not be David who is needed to sign. I need the manager of each LLC. I think you were manager of one and Maurer was the manager of the other. Please let me know who will be signing as manager for each LLC and I will prepare the deeds accordingly.
I'm pretty available most of the day Thursday so please let me know what will work on your end. Please let me know if you have questions or wish to further discuss.

Thanks,

Jeff Smith
704-331-0131

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Date: Tuesday, October 2, 2012, 2:25 PM

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Spoke with Dad and he will deed the property back to Clay. Please, let me know what needs to be done for this to happen.

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Tracy

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He is concerned that damage may be done to the property.
The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes.
David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.
Please pass this along to David and ask him to contact either Clay or me to discuss this matter.
Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

EXHIBIT 5

AFFIDAVIT OF DAVID BAUCOM

STATE OF SOUTH CAROLINA
COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,
Plaintiffs^o

vs

Fort Mill Holdings, LLC and David Baucom,
Defendants

COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438

and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached
hereto dated 10/7/14, ~~is~~ marked exhibit "A"
and signed by the parties

2. _____

3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice,
of the referenced action upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Mickey Crowe
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC
BY: _____

It's: _____
David Baucom
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton
BY: G. Franklin Pendleton, II
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC
BY: Brian S. McCoy
Brian S. McCoy

MEDIATOR:

Terry B. Miller
Terry B. Miller

Memorandum of Settlement 10/7/14

Exh. A

, with UEs and David Brunson.

1. Defendants, with execute in favor of Plaintiffs Sparrow and Crowe a contingent confession of Judgment for the amount of (A) \$1,356,752.10 which represents the principal and interest on the two original notes and (B) (C) the taxes (and property) on the two parcels (which will be paid by Plaintiff Sparrow of 79,585.46, will be added to the judgment amount (A); hereafter, the compound A+B amount will bear interest at $A \div 373.74$ per diem until paid.
2. The confession in Para 1 will remain unpaid until the elapse of one year from 10/7/14 or until the sale of the properties result in a deficiency, in which case the judgment will ~~not~~ be reduced by the proceeds of the sale paid to Plaintiffs.
3. If sale of properties result in excess proceeds over the judgment + interest due, the Defendants will retain any such proceeds.
4. Plaintiff will release the mortgages on the two parcels at or before the closing of any beneficial sale by the Defendants.
5. Counsel will prepare more formal settlement documents and the contingent confession, whereupon upon execution by all parties, the two lawsuits 46-00438, and 46-00440, will be dismissed.

BM
CRH
OP

- con't on p. 2

P2. Memo of Settlement 10/7/14

Robert Ely Sparrow
Robert Ely Sparrow
date

David Baucum

Michael Crowe
Michael Crowe
by Robert Ely Sparrow, Attorney in fact.
date

Brian S. McCreary
AIF acting for DAF
date

G. Franklin Pindexter, II
G. Franklin Pindexter, II
attorney for Plaintiff
date

Fort Mill Holdings, LLC
by Tracy G. Gons, Manager
date: 10/7/14

Tracy B. Gons
mediator

Tracy Gons
Tracy Gons
by Tracy G. Gons, Manager
date: 10/7/14

David Baucum

Tracy Gons

EXHIBIT 6

AFFIDAVIT OF DAVID BAUCOM

YORK COUNTY
TAX COLLECTOR
1070 HECKLE BLVD SUITE 101
ROCK HILL, SC 29732
803-909-7272

DATE: DECEMBER 11, 2015

TO: FORT MILL HOLDINGS LLC

8001 N TRYON STREET

CHARLOTTE N C 28262

FROM: ROBERT N. KISER
YORK COUNTY TAX COLLECTOR

RE: SALE OF PROPERTY FOR DELINQUENT TAXES

MAP # 721-00-00-035 DISTRICT 4FH

ITEM# 15-02219
3490 HIGHWAY

HWY 51 LOT 9-H 3490 HWY 51

This letter is to advise you that the property listed above was sold at public auction for delinquent taxes on NOVEMBER 16, 2015. Section 12-51-90 of the South Carolina Code of Laws provides that the defaulting taxpayer, any grantee from the owner or any mortgage or judgement creditor may redeem the above property within (12) months from the date of the delinquent tax sale by paying to this office delinquent taxes, penalties, and costs together with the appropriate percent of interest on the total bid price at the tax sale. If you wish to redeem the above described property, the redemption amount will be as listed below:

\$ <u>65,217.25</u>	(03%) due on or before <u>FEBRUARY 17, 2016</u>
\$ <u>83,517.25</u>	(06%) due on or before <u>MAY 17, 2016</u>
\$ <u>101,817.25</u>	(09%) due on or before <u>AUGUST 17, 2016</u>
\$ <u>117,073.88</u>	(12%) due on or before <u>NOVEMBER 17, 2016</u>

FINAL DATE TO REDEEM THE ABOVE PROPERTY IS ON/BEFORE NOVEMBER 17, 2016 !!!

If you fail to redeem the property by said date, a tax deed will be issued to the successful bidder. No Checks!!! Money Order, Cashiers Check, or Cash Only.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF YORK	)	SIXTEENTH JUDICIAL CIRCUIT
)	
Robert Clay Sparrow and Mickey Crowe,	)	C.A. NO.: 2013-CP-46-00438
)	
Plaintiffs,)	
)	
vs.	)	AFFIDAVIT OF TRACY GOINS
)	
Fort Mill Holdings, LLC and David Baucom,)	
)	
Defendants.)	

PERSONALLY APPEARING BEFORE ME the undersigned, who after being duly sworn, deposes and states as follows:

1. My name is Tracy Goins, and I was, at all relevant times, Managing Member of Fort Mill Holdings, LLC, which is a defendant in the above-captioned matter.
2. I am over the age of eighteen, have personal knowledge of the matters set forth herein (except matters stated upon information and belief, which I believe to be true), and am fully competent to testify as to the same.
3. The above-captioned matter and a related case, Robert Clay Sparrow and Mickey Crowe v. Maurer Holdings, LLC and David Baucom, C.A. No. 2013-CP-46-00440, pertain to the foreclosure of two parcels of real property in York County, South Carolina ("Subject Property") and collection on two North Carolina purchase money promissory notes. A copy of the purchase money note for Fort Mill Holdings, LLC is attached as Exhibit 1.
4. For approximately twelve years prior to Maurer Holdings and Fort Mill Holdings purchasing the Subject Property, my father, David Baucom, leased the Subject Property.
5. Clay Sparrow and my father negotiated a purchase of the Subject Property. Mr. Sparrow had his attorney, Jeff Smith, draft the documents.
6. Mr. Smith formed two entities – Fort Mill Holdings, LLC and Maurer Holdings, LLC – to each own one of the two parcels that formed the Subject Property.
7. Upon information and belief, Mr. Smith was licensed to practice law in North Carolina but not in South Carolina.

8. I was always under the belief that if the payments were not made that Sparrow would accept a return of the property and that no deficiency could be sought against Maurer Holdings, LLC or my father. We only made full payments through May 2012.
9. On Friday, September 28, 2012 I was contacted via email by Jeff Smith. A fair and accurate copy of said email is attached as Exhibit 2. In the email, Mr. Smith requested, on Mr. Sparrow's behalf, that the property be deeded back to Sparrow in lieu of foreclosure.
10. I consulted with my father regarding the situation and he instructed me to notify Mr. Smith that we would sign the property back over to Sparrow. A fair and accurate copy of the email thread is attached as Exhibit 3.
11. On October 2, 2012, I notified Mr. Smith that the property would be deeded back and requested that he let me know what needed to be done.
12. On November 6, 2012, Mr. Smith notified me that Mr. Sparrow wanted to make sure he was able to extinguish any potential liens on the property so he would proceed with a foreclosure to make sure any liens were extinguished. A fair and accurate copy of said email is attached as Exhibit 4.
13. On February 8, 2013, Plaintiffs filed this action.
14. On October 7, 2014, a mediation was held, but I did not attend.
15. It is my understanding that Clay Sparrow's attorney recently provided Fort Mill Holdings' attorney with the document attached as Exhibit 6. I do not have an independent recollection of signing Exhibit A to that document, but it does appear to contain my signature in two locations.
16. To the best of my knowledge, I would have signed after the mediation concluded.
17. I was not aware until after I signed that North Carolina prohibits deficiency judgments or enforcement of personal guaranties in seller-financed transactions. If I had known that prior to signing Exhibit 6, I would not have signed.
18. I respectfully request that the Court allow the case to go forward on the merits and that the Court deny Plaintiffs' Motion to Compel Settlement.

Tracy Goins
Tracy Goins

SWORN TO AND SUBSCRIBED before me
this 21st day of March, 2016

Laura A Campbell
Notary Public for the
State of North Carolina

My commission expires: 7/24/2016

LAURA A. CAMPBELL
NOTARY PUBLIC
Mecklenburg County
North Carolina
My Commission Expires July 24, 2016

EXHIBIT 1

AFFIDAVIT OF TRACY GOINS

SATISFACTION: The debt evidenced by this Note has been satisfied in full this _____ day of _____

PURCHASE MONEY PROMISSORY NOTE

Signed: _____

Charlotte, N.C.
December 1, 2011

S907,300.00

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of NINE HUNDRED SEVEN THOUSAND THREE HUNDRED DOLLARS (\$907,300.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

In 240 consecutive and equal payments of \$7,034.29 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or Mortgage or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

This Note is given for the balance of purchase price for the property located off Highway 51, Fort Mill, SC, and is secured by a Purchase Money Mortgage or Deed of Trust or Mortgage, which is a first lien upon said property.

IN TESTIMONY WHEREOF, the corporate maker has caused this instrument to be executed in its corporate name by its Manager, by the authority duly given by its managers and members, the day and year first above written.

Fort Mill Holdings, LLC

By: Tracy Goins
Tracy Goins, Manager

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

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David Baucom (SEAL)
David Baucom, Guarantor

EXHIBIT 2

AFFIDAVIT OF TRACY GOINS

Tracy Goins

From: <jsmithlaw@bellsouth.net>
Date: Friday, September 28, 2012 4:17 PM
To: "Tracy Goins" <tracy@exotictravelplans.com>
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property. He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes. David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property. Please pass this along to David and ask him to contact either Clay or me to discuss this matter. Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

|
|

9/9/2014

EXHIBIT 3

AFFIDAVIT OF TRACY GOINS

Tracy Goins

From: <DBaucom733@aol.com>
Date: Monday, October 1, 2012 6:00 PM
To: <tracy@exotictravelplans.com>
Subject: Re: Fw: Carowinds Property

tell him yes we will sign it back over

In a message dated 10/1/2012 12:00:46 P.M. Eastern Daylight Time, tracy@exotictravelplans.com writes:

----- Original Message -----

From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Friday, September 28, 2012 4:17 PM
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property. He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes. David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.

Please pass this along to David and ask him to contact either Clay or me to discuss this matter. Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

EXHIBIT 4

AFFIDAVIT OF TRACY GOINS

Tracy Goins

From: <jsmithlaw@bellsouth.net>
Date: Tuesday, November 6, 2012 2:36 PM
To: "Tracy Goins" <tracy@exotictravelplans.com>
Subject: Carowinds Property

Hi Tracy,

Clay is concerned about the possibility of contractor liens attaching to the property since he knows substantial work was done there and wants to make sure any possible lien rights are extinguished so he is going forward with foreclosing his mortgages.

Jeff Smith

--- On Tue, 11/6/12, Tracy Goins <tracy@exotictravelplans.com> wrote:

From: Tracy Goins <tracy@exotictravelplans.com>
Subject: Fw: Carowinds Property
To: jsmithlaw@bellsouth.net
Date: Tuesday, November 6, 2012, 2:05 PM

Hi Jeff,

Never heard back from you on the below mentioned meeting? Please advise?

Thank You,
Tracy

----- Original Message -----

From: Tracy Goins
To: jsmithlaw@bellsouth.net
Cc: David "Slim" Baucom
Sent: Thursday, October 11, 2012 10:35 AM
Subject: Re: Carowinds Property

Hi Jeff,

I'm available anytime that is convenient for you other then next Monday! I'm waiting to hear back from Mr. Maurer as to when he can go. Is this something that can be faxed to him? Since I dont think he ever signed any of the original paperwork. Please advise what works best for you.

Thank You,
Tracy Goins

----- Original Message -----

From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Tuesday, October 09, 2012 3:00 PM
Subject: Re: Carowinds Property

9/9/2014

Hi Tracy,

When would you and Mr. Mauer like to come in and sign the deeds conveying the properties to Clay Sparrow and Mickey Crowe?

Jeff Smith
704-331-0131

--- On Wed, 10/3/12, Tracy Goins <tracy@exotictravelplans.com> wrote:

From: Tracy Goins <tracy@exotictravelplans.com>
Subject: Re: Carowinds Property
To: jsmithlaw@bellsouth.net
Cc: "David "Slim" Baucom" <DBaucom733@aol.com>
Date: Wednesday, October 3, 2012, 11:25 AM

Hi Jeff,
Please, let me know if you will need Mr. Maurer I do think he is the manager on the other deed. He has been really sick this week and will not be able to come this week. If we could schedule something for mid-week next week that would be great. Please, let me know what works best for you. Thank You, for all your help.

Thank You,
Tracy

----- Original Message -----
From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Tuesday, October 02, 2012 2:51 PM
Subject: Re: Carowinds Property

Hi Tracy,

I can get the new deeds ready tomorrow. Can David come by sometime Thursday? It may not be David who is needed to sign. I need the manager of each LLC. I think you were manager of one and Mauer was the manager of the other. Please let me know who will be signing as manager for each LLC and I will prepare the deeds accordingly.
I'm pretty available most of the day Thursday so please let me know what will work on your end. Please let me know if you have questions or wish to further discuss.

Thanks,

Jeff Smith
704-331-0131

9/9/2014

--- On Tue, 10/2/12, Tracy Goins <tracy@exotictravelplans.com> wrote:

From: Tracy Goins <tracy@exotictravelplans.com>
Subject: Re: Carowinds Property
To: jsmithlaw@bellsouth.net
Date: Tuesday, October 2, 2012, 2:25 PM

Hi Jeff,
Spoke with Dad and he will deed the property back to Clay. Please, let me know what needs to be done for this to happen.

Thank You,
Tracy

----- Original Message -----

From: jsmithlaw@bellsouth.net
To: Tracy Goins
Sent: Friday, September 28, 2012 4:17 PM
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property.

He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes.

David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.

Please pass this along to David and ask him to contact either Clay or me to discuss this matter.

Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

EXHIBIT 5

AFFIDAVIT OF TRACY GOINS

STATE OF SOUTH CAROLINA
COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,
Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,
Defendants

COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438

and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The Memorandum of Settlement attached
hereto dated 10/7/14, ~~is~~ marked exhibit "A"
and signed by the parties

2. _____

3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice,
of the referenced action. upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Michael Crowe By *Robert Clay Sparrow*
Michael Crowe

DEFENDANTS:

Fort Mill Holdings, LLC

BY: _____

It's: _____

David Baucom
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton

BY: *G. Franklin Pendleton, II*
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC

BY: *Brian S. McCoy*
Brian S. McCoy

MEDIATOR:

Terry B. Millar
Terry B. Millar

EXHIBIT 6

AFFIDAVIT OF TRACY GOINS

STATE OF SOUTH CAROLINA
COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,
Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,
Defendants

COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438
and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached
hereto dated 10/7/14, ~~is~~ marked exhibit "A"
and signed by the parties

2. _____

3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice, of the referenced action. upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Mickey Crowe
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC
BY: _____

It's: _____
David Baucom
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton
BY: G. Franklin Pendleton, II
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC
BY: Brian S. McCoy
Brian S. McCoy

MEDIATOR:
Terry B. Millar
Terry B. Millar

Memorandum of Settlement 10/7/14
Exh. A

- ^{with LLCs and David Brown.}
1. Defendants, will execute in favor of Plaintiffs Sparrow and Crowe a contingent confession of Judgment for the amount of (A) \$1,356,752.10 which represents the principal and interest on the two original notes and ~~notes~~ ^{mortgages} @ 7% interest through 10/7/14; plus, (B) the taxes (real property) on the two parcels (which will be paid by Plaintiff Sparrow of 79,595.46, will be added to the judgment amount (A); hereafter, the combined A+B amount will bear interest at ^{\$}273.74 per diem until paid.
 2. The confession in Para 1 will remain unfiled until the elapse of one year from 10/7/14 or until the sale of the properties resulting in a deficiency, in which case the judgment will ~~not~~ be reduced by the proceeds of the sale paid to Plaintiffs.
 3. If sale of Properties result in excess proceeds over the judgment + interest due, the Defendants will retain any such proceeds.
 4. Plaintiffs will release the mortgages on the two parcels at or before the closing of any bona fide sale by the Defendants.
 5. Counsel will prepare more formal settlement documents and the contingent confession, whereupon execution by all parties, the two lawsuits - 46-00438, and 46-00440, will be dismissed.

BSM
CSM
OP

- con't p. 2

P2: Memo of Settlement 10/7/14

Robert Clay Spurr
Robert Clay Spurr
date:

David Bauman

Wendy Louise By Robert Clay Spurr
Wendy Louise
by Robert Clay Spurr, NYH interf.
date:

Brian S. McCoy
Brian S. McCoy
AIF acting for DAF
date:

G. Franklin Powell, Jr.
G. Franklin Powell, Jr.
acting for Plaintiff
date:

Fort Mill Holdings, LLC
Fort Mill Holdings, LLC.
by Tracy G. Gino, manager
date: 10/7/14

Tracy B. Miller
Tracy B. Miller
mediator

Tracy G. Gino
Tracy G. Gino, manager
date: 10/7/14

David Bauman

Tracy G. Gino

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF YORK	)	SIXTEENTH JUDICIAL CIRCUIT
)	
Robert Clay Sparrow and Mickey Crowe,	)	C.A. NO.: 2013-CP-46-00440
)	
Plaintiffs,)	
)	
vs.	)	AFFIDAVIT OF DAVID BAUCOM
)	
Maurer Holdings, LLC and David Baucom,)	
)	
Defendants.)	

PERSONALLY APPEARING BEFORE ME the undersigned, who after being duly sworn, deposes and states as follows:

1. My name is David Baucom, and I am a named Defendant in the above-captioned matter. I am and was at all relevant times a resident of the State of North Carolina.
2. I am over the age of eighteen, have personal knowledge of the matters set forth herein (except matters stated upon information and belief, which I believe to be true), and am fully competent to testify as to the same.
3. The above-captioned matter and a related case, Robert Clay Sparrow and Mickey Crowe v. Fort Mill Holdings, LLC and David Baucom, C.A. No. 2013-CP-46-00438, pertain to the foreclosure of two parcels of real property in York County, South Carolina ("Subject Property") and collection on two North Carolina purchase money promissory notes. A copy of the purchase money note for Maurer Holdings, LLC is attached as Exhibit 1.
4. For approximately twelve years prior to Maurer Holdings and Fort Mill Holdings purchasing the Subject Property, I leased the Subject Property. During that period, I made significant improvements to the same.
5. Clay Sparrow approached me to discuss purchasing the Subject Property, and I expressed reluctance to do so.
6. Mr. Sparrow assured me that if we could not make the payments, we could simply turn the property back over to him.
7. Based on that representation, we reached an agreement for the purchase of the Subject Property, and Mr. Sparrow had his attorney, Jeff Smith, draft the documents.

8. Upon information and belief, Mr. Smith was licensed to practice law in North Carolina but not in South Carolina.
9. My daughter, Tracy Goins, and I attended the closing in Charlotte, North Carolina, and upon request of Sparrow's attorney, we signed any documents related to the transaction that he presented to us. The closing took place on or about December 1, 2011.
10. I was always under the belief that if the payments were not made that Sparrow would accept a return of the property and that no deficiency could be sought against me. We only made full payments through May 2012.
11. On Friday, September 28, 2012 my daughter was contacted via email by Jeff Smith. A fair and accurate copy of said email is attached as Exhibit 2. In the email, Mr. Smith requested, on Mr. Sparrow's behalf, that the property be deeded back to Sparrow in lieu of foreclosure.
12. My daughter consulted with me regarding the situation and I instructed her to notify Mr. Smith that we would sign the property back over to Sparrow, which she did on October 1, 2012. A fair and accurate copy of the email thread is attached as Exhibit 3.
13. On November 6, 2012, Mr. Smith notified my daughter that Mr. Sparrow wanted to make sure he was able to extinguish any potential liens on the property so he would proceed with a foreclosure to make sure any liens were extinguished. A fair and accurate copy of said email is attached as Exhibit 4.
14. On February 8, 2013, Plaintiffs filed this action.
15. On October 7, 2014, a mediation was held, and a copy of the resulting "Settlement by Mediation" document is attached as Exhibit 5. Clay Sparrow and I attended mediation along with counsel. Neither Mickey Crowe nor my daughter attended mediation. My daughter signed the document at a later time.
16. "Formal documents" referenced in Paragraph 4 of Exhibit 5 were never executed.
17. Upon information and belief, no settlement hearing was held and no stipulation of dismissal was signed or recorded.
18. I never signed a confession of judgment.
19. Upon information and belief, North Carolina has an anti-deficiency statute which prevents Plaintiffs from seeking a deficiency judgment against me in a seller-financed transaction like the one at issue in this case. I was not aware of this law at the time of mediation and never would have signed the "Settlement by Mediation" document if I had known about it.

20. With regard to the Subject Property, I dispute that I am responsible for any expenses related to the same after the Subject Property was offered back to Plaintiffs in or before October 2012.
21. The portion of the Subject Property owned by Fort Mill Holdings was sold at a tax sale last fall. Plaintiffs were aware of the sale before it occurred, and Plaintiff Clay Sparrow attended the sale. Upon information and belief, he did not bid on the Subject Property.
22. A fair and accurate copy of a redemption letter pertaining to the Fort Mill Holdings property is attached as Exhibit 6. Although I dispute that I owe anything with regard to the Subject Property, I am able to redeem said property if required to do so by the Court.
23. I respectfully request that the Court allow the case to go forward on the merits and that the Court deny Plaintiffs' Motion to Compel Settlement.

David Baucom

SWORN TO AND SUBSCRIBED before me
this ____ day of _____, 2016

Notary Public for the
State of _____

My commission expires: _____

EXHIBIT 1

AFFIDAVIT OF DAVID BAUCOM

SATISFACTION: The debt evidenced by this Note has been satisfied in full this _____ day of _____

Signed: _____

PURCHASE MONEY PROMISSORY NOTE

\$284,500.00

Charlotte, N.C.
December 1, 2011

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of TWO HUNDRED EIGHTY FOUR THOUSAND FIVE HUNDRED DOLLARS (\$284,500.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

In 240 consecutive and equal payments of \$2,205.73 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or Mortgage or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

This Note is given for the balance of purchase price for the property located off Highway 51, Fort Mill, SC, and is secured by a Purchase Money Mortgage or Deed of Trust or Mortgage, which is a first lien upon said property.

IN TESTIMONY WHEREOF, the corporate maker has caused this instrument to be executed in its corporate name by its Manager, by the authority duly given by its managers and members, the day and year first above written.

Maurer Holdings, LLC

By: Tracy Goids
Tracy Goids, Manager

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

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David Baucom (SEAL)
David Baucom, Guarantor

EXHIBIT 2

AFFIDAVIT OF DAVID BAUCOM

Tracy Goins

From: <jsmithlaw@bellsouth.net>
Date: Friday, September 28, 2012 4:17 PM
To: "Tracy Goins" <tracy@exotictravelplans.com>
Subject: Carowinds Property

Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property. He is concerned that damage may be done to the property. The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes. David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property. Please pass this along to David and ask him to contact either Clay or me to discuss this matter. Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

|
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9/9/2014

EXHIBIT 3

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From: <DBaucom733@aol.com>
Date: Monday, October 1, 2012 6:00 PM
To: <tracy@exotictravelplans.com>
Subject: Re: Fw: Carowinds Property

tell him yes we will sign it back over

In a message dated 10/1/2012 12:00:46 P.M. Eastern Daylight Time, tracy@exotictravelplans.com writes:

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9/9/2014

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Subject: Carowinds Property

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Never heard back from you on the below mentioned meeting? Please advise?

Thank You,
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Cc: David "Slim" Baucom
Sent: Thursday, October 11, 2012 10:35 AM
Subject: Re: Carowinds Property

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I'm available anytime that is convenient for you other than next Monday! I'm waiting to hear back from Mr. Maurer as to when he can go. Is this something that can be faxed to him? Since I don't think he ever signed any of the original paperwork. Please advise what works best for you.

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To: jsmithlaw@bellsouth.net
Cc: "David "Slim" Baucom" <DBaucom733@aol.com>
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Hi Tracy,

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704-331-0131

9/9/2014

EXHIBIT 5

AFFIDAVIT OF DAVID BAUCOM

STATE OF SOUTH CAROLINA

COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,

Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,

Defendants

COURT OF COMMON PLEAS

SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438

and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached

hereto dated 10/7/14, ~~is~~ marked exhibit "A"

and signed by the parties

2.

3.

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice, of the referenced action upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Mickey Crowe BY *Robert Clay Sparrow*
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC
BY: _____

It's: _____
David Baucom
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton
BY: *G. Franklin Pendleton, II*
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC
BY: *Brian S. McCoy*
Brian S. McCoy

MEDIATOR:
Terry B. Millar
Terry B. Millar

Memorandum of Settlement 10/7/14
Exh. A

, with LLCs and David Bowman.

1. Defendants, will execute in favor of Plaintiffs Sparrow and Crowe a contingent confession of Judgment for the amount of (A) \$1,356,752.10 which represents the principal and interest on the two original notes and ~~notes~~ @ 7% interest through 10/7/14; plus, (B) the taxes (real property) on the two parcels (which will be paid by Plaintiff Sparrow of 70,595.46, will be added to the judgment amount (A); hereafter, the combined A+B amount will bear interest at ^A 273.74 per diem until paid.
2. The confession in Para 1 will remain confidential until the elapse of one year from 10/7/14 or until the sale of the properties resulting in a deficiency, in which case the judgment will ~~not~~ be reduced by the proceeds of the sale paid to Plaintiffs.
3. If sale of properties result in excess proceeds over the judgment & interest due, the Defendants will retain any such proceeds.
4. Plaintiffs will release the mortgages on the two parcels at or before the closing of any confidential sale by the Defendants.
5. Counsel will prepare more formal settlement documents and the contingent confession, whereupon execution by all parties, the two lawsuits 46-00438, and 46-00440, will be dismissed.

BM
CAF
DP

- con't on p. 2

p2. Memo of Seattle 10/7/14

Robert Clay Sparrow
Robert Clay Sparrow
date:

David Baucum

~~Wade King~~ ~~James~~ ~~By Robert Clay Sparrow~~
Mickey Crowe
by R. Clay Sparrow, Atty in fact.
date:

B. S. McCray
Bryan S. McCray
AIF atty for DEF
date:

G. Franklin Penick, Jr.
G. Franklin Penick, Jr.
att'y for Plaintiff
date:

Fort Mill Holdings, LLC.
by Tracy Gains, Manager
date: 10/7/14

W. B. Miller
mediator

Tracy Gains
Fort Mill Holdings, LLC.
by Tracy Gains, Manager
date: 10/7/14
Tracy Gains

David Baucum

EXHIBIT 6

AFFIDAVIT OF DAVID BAUCOM

YORK COUNTY
TAX COLLECTOR
1070 HECKLE BLVD SUITE 101
ROCK HILL, SC 29732
803-909-7272

DATE: DECEMBER 11, 2015

TO: FORT MILL HOLDINGS LLC

8001 N TRYON STREET

CHARLOTTE N C 28262

FROM: ROBERT N. KISER
YORK COUNTY TAX COLLECTOR

RE: SALE OF PROPERTY FOR DELINQUENT TAXES

MAP # 721-00-00-035 DISTRICT 4FH

ITEM# 15-02219

3490 HIGHWAY

HWY 51 LOT 9-H

3490 HWY 51

This letter is to advise you that the property listed above was sold at public auction for delinquent taxes on NOVEMBER 16, 2015. Section 12-51-90 of the South Carolina Code of Laws provides that the defaulting taxpayer, any grantee from the owner or any mortgage or judgement creditor may redeem the above property within (12) months from the date of the delinquent tax sale by paying to this office delinquent taxes, penalties, and costs together with the appropriate percent of interest on the total bid price at the tax sale. If you wish to redeem the above described property, the redemption amount will be as listed below:

\$ <u>65,217.25</u>	(03%) due on or before <u>FEBRUARY 17, 2016</u>
\$ <u>83,517.25</u>	(06%) due on or before <u>MAY 17, 2016</u>
\$ <u>101,817.25</u>	(09%) due on or before <u>AUGUST 17, 2016</u>
\$ <u>117,073.88</u>	(12%) due on or before <u>NOVEMBER 17, 2016</u>

FINAL DATE TO REDEEM THE ABOVE PROPERTY IS ON/BEFORE NOVEMBER 17, 2016 !!!

If you fail to redeem the property by said date, a tax deed will be issued to the successful bidder. No Checks!!! Money Order, Cashiers Check, or Cash Only.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF YORK	)	SIXTEENTH JUDICIAL CIRCUIT
)	
Robert Clay Sparrow and Mickey Crowe,	)	C.A. NO.: 2013-CP-46-00440
)	
Plaintiffs,)	
)	
vs.	)	AFFIDAVIT OF TRACY GOINS
)	
Maurer Holdings, LLC and David Baucom,)	
)	
Defendants.)	

PERSONALLY APPEARING BEFORE ME the undersigned, who after being duly sworn, deposes and states as follows:

1. My name is Tracy Goins, and I am and was at all relevant times a citizen and resident of North Carolina. I am over the age of eighteen, have personal knowledge of the matters set forth herein (except matters stated upon information and belief, which I believe to be true), and am fully competent to testify as to the same.
2. The above-captioned matter and a related case, Robert Clay Sparrow and Mickey Crowe v. Fort Mill Holdings, LLC and David Baucom, C.A. No. 2013-CP-46-00438, pertain to the foreclosure of two parcels of real property in York County, South Carolina ("Subject Property") and collection on two North Carolina purchase money promissory notes. A copy of the purchase money note for Maurer Holdings, LLC is attached as Exhibit 1.
3. For approximately twelve years prior to Maurer Holdings and Fort Mill Holdings purchasing the Subject Property, my father, David Baucom, leased the Subject Property.
4. Clay Sparrow and my father negotiated a purchase of the Subject Property. Mr. Sparrow had his attorney, Jeff Smith, draft the documents.
5. Mr. Smith formed two North Carolina entities – Fort Mill Holdings, LLC and Maurer Holdings, LLC – to each own one of the two parcels that formed the Subject Property.
6. Upon information and belief, Mr. Smith was licensed to practice law in North Carolina but not in South Carolina.
7. My father and I attended the closing in Charlotte, North Carolina, and upon request of Sparrow's attorney, we signed any documents related to the transaction that he presented to us. The closing took place on or about December 1, 2011.

8. My father and I attended the closing in Charlotte, North Carolina, and upon request of Sparrow's attorney, we signed any documents related to the transaction that he presented to us. The closing took place on or about December 1, 2011.
9. I was always under the belief that if the payments were not made that Sparrow would accept a return of the property and that no deficiency could be sought against Fort Mill Holdings, LLC or my father. We only made full payments through May 2012.
10. On Friday, September 28, 2012 I was contacted via email by Jeff Smith. A fair and accurate copy of said email is attached as Exhibit 2. In the email, Mr. Smith requested, on Mr. Sparrow's behalf, that the property be deeded back to Sparrow in lieu of foreclosure.
11. I consulted with my father regarding the situation and he instructed me to notify Mr. Smith that we would sign the property back over to Sparrow. A fair and accurate copy of the email thread is attached as Exhibit 3.
12. On October 2, 2012, I notified Mr. Smith that the property would be deeded back and requested that he let me know what needed to be done.
13. On November 6, 2012, Mr. Smith notified me that Mr. Sparrow wanted to make sure he was able to extinguish any potential liens on the property so he would proceed with a foreclosure to make sure any liens were extinguished. A fair and accurate copy of said email is attached as Exhibit 4.
14. On February 8, 2013, Plaintiffs filed this action.
15. On October 7, 2014, a mediation was held, but I did not attend.
16. I do not recall signing the "Settlement by Mediation" document attached as Exhibit 5.
17. It is my understanding that Clay Sparrow's attorney recently provided Fort Mill Holdings' attorney, Paul Landis, with the document attached as Exhibit 6. I also do not have an independent recollection of signing Exhibit A to that document, but it does appear to contain my signature in two locations.
18. To the best of my knowledge, I would have signed after the mediation concluded.
19. I was not aware until after I signed that North Carolina prohibits deficiency judgments or enforcement of personal guaranties in seller-financed transactions. If I had known that prior to signing Exhibit 6, I would not have signed.
20. I respectfully request that the Court allow the case to go forward on the merits and that the Court deny Plaintiffs' Motion to Compel Settlement.

Tracy Goins
Tracy Goins

SWORN TO AND SUBSCRIBED before me
this 21st day of March, 2016

Laura A Campbell
Notary Public for the
State of North Carolina

My commission expires: 7/24/16

LAURA A. CAMPBELL
NOTARY PUBLIC
Mecklenburg County
North Carolina
My Commission Expires July 24, 2016

EXHIBIT 1

AFFIDAVIT OF TRACY GOINS

SATISFACTORY: The debt evidenced by this Note has been satisfied in full this _____ day of _____

Signed: _____

PURCHASE MONEY PROMISSORY NOTE

\$284,500.00

Charlotte, N.C.
December 1, 2011

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of TWO HUNDRED EIGHTY FOUR THOUSAND FIVE HUNDRED DOLLARS (\$284,500.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

In 240 consecutive and equal payments of \$2,205.73 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest, and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest, and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

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Maurer Holdings, LLC

By: Tracy Goetz
Tracy Goetz, Manager

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

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David Baucom (SEAL)
David Baucom, Guarantor

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9/9/2014

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Tracy,

Clay has contacted me about the property in South Carolina off Carowinds Blvd. Clay is concerned as he has learned of David's plans to abandon the property.

He is concerned that damage may be done to the property.
The loan agreement is in default due to the failure to pay property taxes, maintain insurance and to make the payments required under the promissory notes.

David signed the notes as a personal guarantor and is personally liable for any damages to the building and for any losses resulting from his abandoning the property.

Please pass this along to David and ask him to contact either Clay or me to discuss this matter.

Clay would like to avoid foreclosure of the mortgages and wants to know if David will deed the property back to him.

Jeff Smith
704-331-0131

9/9/2014

EXHIBIT 5

AFFIDAVIT OF TRACY GOINS

STATE OF SOUTH CAROLINA

COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,

Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,

Defendants

COURT OF COMMON PLEAS

SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438

and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached
hereto dated 10/7/14, marked exhibit "A"
and signed by the parties

2. _____

3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice, of the referenced action upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Mickey Crowe By *Robert Clay Sparrow*
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC
BY: _____

Its: _____
David Baucom
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton
BY: *G. Franklin Pendleton, II*
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC
BY: *Brian S. McCoy*
Brian S. McCoy

MEDIATOR:
Terry B. Millar
Terry B. Millar

EXHIBIT 6

AFFIDAVIT OF TRACY GOINS

STATE OF SOUTH CAROLINA
COUNTY OF YORK

Robert Clay Sparrow and Mickey Crowe,
Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,
Defendants

COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438
and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached
hereto dated 10/7/14, ~~is~~ marked exhibit "A"
and signed by the parties

2. _____

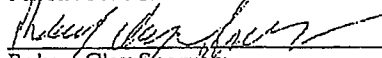
3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice,
of the referenced action. upon execution of formal documents.

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:


Robert Clay Sparrow

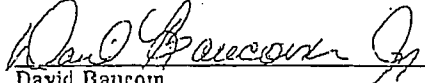
Mickey Crowe BY
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC

BY: _____

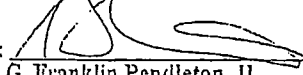
It's: _____


David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton

BY: 
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC

BY: 
Brian S. McCoy

MEDIATOR:


Terry B. Millar

Memorandum of Settlement 10/7/14
Exh. A

, both LLCs and David Brown.

1. Defendants, will execute in favor of Plaintiffs Sparrow and Crowe a contingent confession of Judgment for the amount of (A) \$1,356,752.10 which represents the principal and interest on the two original notes and mortgages @ 7% interest through 10/7/14; plus, (B) the taxes (since property) on the two parcels (which will be paid by Plaintiff Sparrow of 70,595.46, will be added to the judgment amount (A); here after, the combined A+B amount will bear interest at \$273.74 per diem until paid.
2. The confession in Para 1 will remain confidential until the elapse of one year from 10/7/14 or until the sale of the properties resulting in a deficiency, in which case the judgment will ~~not~~ be reduced by the proceeds of the sale paid to Plaintiffs.
3. If sale of Properties result in excess proceeds over the judgment & interest due, the Defendants will retain any such proceeds.
4. Plaintiffs will release the mortgages on the two parcels at or before the closing of any confidential sale by the Defendants.
5. Counsel will prepare more formal settlement documents and the contingent confession, whereupon upon execution by all parties, the two lawsuits 46-00438, and 46-00440, will be dismissed.

BM
CAF
OP

- con't on p. 2

P2. Memo. of Settlement 10/7/14

Robert Ely Sparrow
Robert Ely Sparrow
date:

David Bancroft
David Bancroft

Mickley Crowe By Robert Ely Sparrow
Mickley Crowe
by R. Ely Sparrow, HTH info.
date:

Brian S. McKinley
Brian S. McKinley
AIF acting for DAF
date:

G. Franklin Penick, II
G. Franklin Penick, II
acting for Plaintiff
date:

Fort Mill Holdings, LLC
by Tracy G. Gora, Manager
date: 10/7/14

W. B. Hillier
mediator

Tracy G. Gora
Tracy G. Gora, Manager
date: 10/7/14

David Bancroft

Tracy G. Gora

STATE OF SOUTH CAROLINA)
COUNTY OF YORK)
)

IN THE COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

Robert Clay Sparrow and
Mickey Crowe,

Civil Case No. 2013-CP-46-00438

Plaintiffs,

v.

Fort Mill Holdings, LLC, and
David Baucom,

Defendants.

STATE OF SOUTH CAROLINA)
COUNTY OF YORK)
)

IN THE COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

Robert Clay Sparrow and
Mickey Crowe,

Civil Case No. 2013-CP-46-00440

Plaintiffs,

v.

Maurer Holdings, LLC, and
David Baucom,

Defendants.

AFFIDAVIT OF G. FRANKLIN PENDLETON, II

Personally appearing before me, G. Franklin Pendleton, II, after being duly sworn deposes
and states:

1. I am a licensed attorney in the State of South Carolina and admitted to the South Carolina Bar.
2. I represented Plaintiffs Robert Clay Sparrow and Mickey Crowe in a lawsuit brought on their behalf in the York County Court of Common Pleas.

3. On October 7, 2014, I participated in mediation along with Mr. Sparrow with Terry B. Millar serving as the mediator.

4. At the mediation, Defendants Maurer Holdings, LLC, Fort Mill Holdings, LLC and David Baucom were represented by counsel Brian S. McCoy. Mr. Baucom was present on his own behalf and on behalf of the corporate Defendant.

5. As a result of the mediation, the parties entered into a written settlement agreement which was signed by counsel and all parties.

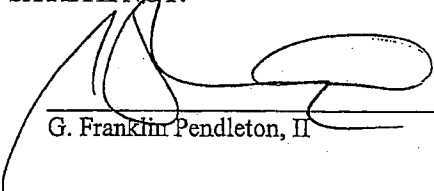
6. The written settlement agreement between the parties is attached hereto as Exhibit A.

7. As part of the settlement, the Defendants agreed to confess a judgment in favor of the Plaintiffs to secure payment of a promissory note and mortgage and have failed and refused to do so.

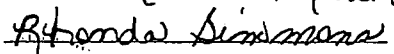
8. Under the confession of judgment, Plaintiffs are entitled to a judgment against the Defendants in the amount of \$1,427,347.56 plus interest of \$273.74 per day from October 7, 2014 until paid under the terms of the settlement agreement attached as Exhibit A.

FURTHER AFFIANT SAYETH NOT.

Date: 3-16-16


G. Franklin Pendleton, II

Sworn to and subscribed before me
on the 16 day of March, 2016.


Notary Public for South Carolina
My Commission Expires 3-19-13

STATE OF SOUTH CAROLINA
COUNTY OF YORK
Robert Clay Sparrow and Mickey Crowe.
Plaintiffs

vs

Fort Mill Holdings, LLC and David Baucom,
Defendants

COURT OF COMMON PLEAS
SIXTEENTH JUDICIAL CIRCUIT

CASE NO. 2013-CP-46-00438

and 2013CP-46-00440

SETTLEMENT BY MEDIATION

This case is settled upon the following terms:

1. The memorandum of settlement attached
hereto dated 10/7/14, ~~is~~ marked exhibit "A"
and signed by the parties

2. _____

3. _____

4. Further, Plaintiffs will consent to and counsel will execute a dismissal, with prejudice,
of the referenced action upon execution of formal documents

5. Neither this settlement nor any of its terms shall constitute an admission by any party.

By our signatures below, we hereby agree to and accept the terms of settlement as set forth above this 7th day of October 2014.

PLAINTIFFS:

Robert Clay Sparrow
Robert Clay Sparrow

Mickey Crowe
Mickey Crowe

DEFENDANTS:

Fort Mill Holdings, LLC

BY: _____

It's: _____

David Baucom Jr
David Baucom

OTHER ATTENDEES, IF ANY:

ATTORNEYS FOR PLAINTIFFS:

Pendleton and Pendleton

BY: *G. Franklin Pendleton, II*
G. Franklin Pendleton, II

ATTORNEYS FOR DEFENDANTS:

McCoy Law Firm, LLC

BY: *Brian S. McCoy*
Brian S. McCoy

MEDIATOR:

Terry B. Millar
Terry B. Millar

Memorandum of Settlement 10/7/14

Exh. A

both UEs and David Boncom.

1. Defendants, will execute in favor of Plaintiffs Sparrow and Crowe a contingent confession of Judgment for the amount of (A) \$1,356,752.10 which represents the principal and interest on the two original notes and credits @ 7% interest through 10/7/14; plus, (B) the taxes (real property) on the two parcels (which will be paid by Plaintiff Sparrow of 20,595.46, will be added to the judgment amount (A); hereafter, the compound A+B amount will bear interest at $\frac{1}{2}$ 273 74 per annum until paid.
2. The confession in Para 1 will remain unfiled until the earlier of one year from 10/7/14 or until the sale of the properties, resulting in a deficiency, in which case the judgment will ~~be~~ be reduced by the proceeds of the sale paid to Plaintiffs.
3. If sale of properties result in excess proceeds over the judgment + interest due, the Defendants will retain any such proceeds.
4. Plaintiffs will release the mortgages on the two parcels at or before the closing of any beneficial sale by the Defendants.
5. Counsel will prepare more formal settlement document and the contingent confession, whereupon execution by all parties, the two lawsuits - 46-00438, and 46-00440, will be dismissed.

BM
RJA
OP

- con't on p. 2

p2. Memo of Settlement 10/7/14

Robert Clay Sparrow
Robert Clay Sparrow
date

David Boncom

Wendy Louise By Robert Clay Sparrow
Wendy Louise
by R. Clay Sparrow, attorney
date

Brian S. McCoy
Brian S. McCoy
AIF attorney for Def
date

G. Franklin Pankota, Jr.
G. Franklin Pankota, Jr.
attorney for Plaintiff
date

Fort Mill Holdings, LLC
Fort Mill Holdings, LLC.
by Tracy Grooms, manager
date: 10/7/14

B. Muller
mediator

David Boncom

Tracy Grooms
Tracy Grooms
Fort Mill Holdings, LLC.
by Tracy Grooms, manager
date 10/7/14

Tracy Grooms

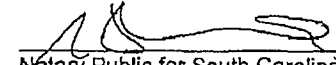
STATE OF SOUTH CAROLINA)
)
COUNTY OF YORK)

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that s/he saw the within named Mickey Crowe, execute, seal and as his act and deed, deliver the within Assignment of Mortgage, and that s/he with the other witness witnessed the execution thereof.

SWORN TO BEFORE ME THIS
1 day of ~~September~~ October, 2014.

Bhanda Simmons


Notary Public for South Carolina
My Commission Expires: 3/19/20

Instrument
201400272969 OR
Vol Page
1449 41

STATE OF SOUTH CAROLINA)
)
COUNTY OF YORK)

PROBATE

PERSONALLY appeared before me the undersigned witness who made oath that s/he saw the within named Mickey Crowe, execute, seal and as his act and deed, deliver the within Assignment of Mortgage, and that s/he with the other witness witnessed the execution thereof.

SWORN TO BEFORE ME THIS
1 day of ~~September~~ October, 2014.

Brandi Simonson

[Signature]
Notary Public for South Carolina
My Commission Expires: 3/19/23

Instrument
201400272970 OR 14419 43
Vol Page

EXHIBIT "A"

SATISFACTION: The debt evidenced by this Note has been satisfied in full this _____ day of _____, 2011.

PURCHASE MONEY PROMISSORY NOTE

Signed: _____

Charlotte, N.C.
December 1, 2011

\$300.00

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of NINE HUNDRED SEVEN THOUSAND THREE HUNDRED DOLLARS (\$907,300.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

In 240 consecutive and equal payments of \$7,034.29 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or Mortgage or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

This Note is given for the balance of purchase price for the property located off Highway 51, Fort Mill, SC, and is secured by a Purchase Money Mortgage or Deed of Trust or Mortgage, which is a first lien upon said property.

IN TESTIMONY WHEREOF, the corporate maker has caused this instrument to be executed in its corporate name by its Manager, by the authority duly given by its managers and members, the day and year first above written.

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

Fort Mill Holdings, LLC

By: Tracy Goins
Tracy Goins, Manager

B
L
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C
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I
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K

O
N

David Baucom (SEAL)
David Baucom, Guarantor

EXHIBIT "B"

201100156130
Filed for Record in
YORK COUNTY, SC
DAVID HAMILTON, CLERK OF COURTS
12-30-2011 At 02:58 PM.
MORTGAGE 12.00
DR Vol 12360 Page 239 - 244

STATE OF SOUTH CAROLINA

MORTGAGE

COUNTY OF YORK

WHEREAS, Fort Mill Holdings, LLC, (hereafter called Mortgagor), in and by their certain Note of even date, stands firmly held and bound unto Robert Clay Sparrow (hereafter referred to as Mortgagee) for payment of the full and just sum of Nine Hundred Seven Thousand Three Hundred Dollars (\$907,300.00) payable per terms of Note, with the entire balance, if not sooner paid, being due per terms of Note, with interest, if any, as in and by the Note, reference being had thereto, will more fully appear.

KNOW ALL MEN BY THESE PRESENTS: That the Mortgagor, for and in consideration of the debt or sum of money aforesaid, and to better secure its payment to the Mortgagee according to the conditions of the Note, and also in consideration of the further sum of \$3.00 to the Mortgagor in hand well and truly paid by the Mortgagee at and before the sealing and delivery of these presents the receipt and sufficiency whereof is hereby acknowledged, have granted, bargained, sold and released, and by these Presents do grant, bargain, sell and release unto said unto the Mortgagee, his heirs and assigns, the real property described below:

SEE EXHIBIT "A" ATTACHED HERETO.

MORTGAGEE'S ADDRESS:

Robert Clay Sparrow
142 Stoney Point Drive
Blacksburg, SC 29702

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to said Premises belonging, or in any ways incident or appertaining.

BK12360 P00239

TO HAVE AND TO HOLD, all and singular the premises unto the mortgagee, his heirs and assigns, forever.

AND THE MORTGAGOR does hereby bind himself and his heirs and successors to warrant and forever defend all and singular the premises unto the mortgagee, his heirs and assigns, from and against himself and his heirs and successors, lawfully claiming, or to claim the same, or any part thereof.

AND IT IS AGREED by and between the parties that the Mortgagor, his heirs and assigns, shall keep any building erected on the premises insured against loss and damage by fire for the benefit of the Mortgagee, for an amount not less than the sum shown above, with such company as shall be approved by the Mortgagee, his successors, heirs and assigns, and shall deliver the policy to the Mortgagee; and in default thereof, the Mortgagee, his successors, heirs and assigns may effect such insurance and reimburse themselves under this Mortgage to the expense thereof, together with interest thereon at the rate provided in the Note from the date of its payment.

AND IT IS FURTHER AGREED in the event of other insurance and contribution between the insurers that the Mortgagee, his successors, heirs and assigns, shall be entitled to receive from the aggregate of the insurance monies to be paid a sum equal to the amount of the debt secured by this Mortgage.

AND IT IS AGREED by and between the parties, that if the Mortgagor, his heirs and successors or assigns, shall fail to pay all taxes and assessments upon the premises when they shall first become payable, then the Mortgagee, his heirs or assigns, may cause the same to be paid, together with all penalties and costs incurred thereon, and reimburse herself under this Mortgage for the sum so paid, with interest thereon at the rate provided in the Note from the date of such payment.

AND IT IS AGREED by and between the parties that upon any default being made in the payment of the Note or of the insurance premiums, or of the taxes, or of the assessments hereinabove mentioned, or failure to pay any other indebtedness which constitutes a lien upon the real property when the same shall severally become payable, then the entire amount of the debt secured or intended to be secured hereby shall become due, at the option of the Mortgagee, his successors, heirs or assigns, although the period for the payment thereof may not then have expired.

AND IT IS AGREED by and between the parties that should legal proceedings be instituted for the collection of the debt secured hereby, then the Mortgagee, his successors, heirs or assigns, shall have the right to have a receiver appointed of the rents and profits of the premises, who, after deducting all charges and expenses attending such proceedings, and the execution of the trust as receiver, shall apply the residue of the rents and profits towards the payment of the debt secured hereby.

8X12360 PGO240

AND IT IS FURTHER AGREED by and between the parties that should legal proceedings be instituted for the foreclosure of this Mortgage, or should the Mortgagees become a party to any action by reason of this Mortgage, or should the debt secured hereby be placed in the hands of an attorney at law for collection, by suit or otherwise, all costs and expenses incurred by the Mortgagees, including a reasonable attorney's fee, shall thereupon become due and payable as a part of the debt secured hereby, and may be recovered and collected hereunder.

PROVIDED ALWAYS, NEVERTHELESS, and it is the true intent and meaning of the parties, that if the Mortgagor does and shall well and truly pay, or cause to be paid, unto the Mortgagees, their successors, heirs and assigns, the debt or sum of money aforesaid, with interest thereon, and if any shall be due, according to the true intent and meaning of the Note and this Mortgage, then this Mortgage shall cease, determine and be utterly null and void; otherwise it shall remain in full force and virtue.

IN THE EVENT of sale of the mortgaged property or the transfer of any interest therein to any transferee, excepting only the creation of lien or encumbrance junior

to the lien of this Mortgage, Mortgagor agrees that the Mortgagees may, at their sole option, declare all sums secured by this Mortgage immediately due and payable in full. If the Mortgagee exercises its option to declare the entire amounts so secured to be paid in full, it shall give written notice to Mortgagor who shall have a period of thirty (30) days after the date such notice is mailed to pay the amount declared to be due. If Mortgagor fails to pay such sum prior to the expiration of such period, Mortgagees may without further notice or demand invoke all remedies permitted by this Mortgage.

AND IT IS AGREED by and between the said parties, that the Mortgagor should hold and enjoy the premises until default of payment shall be made.

OK 12360 PGO 241

WITNESS Grantors' hands and seals this the 1st day of December, 2011.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Fort Mill Holdings, LLC

Tracy Goins (SEAL)
By: Tracy Goins, Manager

William R. Reed
Witness # 1

Theresa J. Taylor
Witness # 2

8K12360 PD0242

State of North Carolina
County of Mecklenburg

Personally appeared before me the undersigned witness and made oath that he/she saw the within named Grantors, sign, seal and as Grantors' acts and deeds delivery the within Mortgage, and that he/she with the other witness subscribed above, witnessed the execution thereof.

William L. Reese
Witness # 1 signature William L. Reese

Sworn to before me this 1st day of December, 2011.

William D. Smith
Notary Public
Iredell County, NC

My commission expires: 12-18-13

BK-12060 PG0243

Exhibit A

All that certain piece, parcel or lot of land lying, being and situate on the southern side of S.C. Highway 51, and being shown and designated as Lot 2H, on Plat of Property of Dynamic Properties, a Partnership, by John Quinn Hall, dated April 24, 1984, being more particularly described according to said plat as follows: BEGINNING at an Iron in the right of way for S.C. Highway 51, running thence with line of property of the Estate of W.B. Roddey, S. 13-33-26 E. 425.77 feet to a new iron; thence S. 79-40-45 W. 93.83 feet; thence running with line of property previously conveyed to Southern Utilities, Inc., N. 15-59-19 W. 427.17 feet to an Iron in right of way for S.C. Highway 51, thence running in said right of way N. 79-40-25 E. 112 feet to the point of beginning; LESS AND EXCEPT that certain piece, parcel or lot of land consisting of 0.03 acres which has been conveyed to the South Carolina Department of Transportation by Deed dated December 18, 1993, recorded in Record Book 1129 at page 112 on November 4, 1994.

Being the property conveyed to
Font Mill Holdings, LLC by deed
recorded December 30, 2011 in
Book 12360 at page 79

BAD ORIGINAL

BK 12360 P. 0244

EXHIBIT "A"

SAFEFUNCTION. The debt evidenced by this Note has been satisfied in full this _____

PURCHASE MONEY PROMISSORY NOTE

Signed _____

284- 0

Charlotte, N.C.
December 1, 2011

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to Robert Clay Sparrow and Mickey Crowe, or order, the principal sum of TWO HUNDRED EIGHTY FOUR THOUSAND FIVE HUNDRED DOLLARS (\$284,500.00), with interest from December 1, 2011, at the rate of SEVEN per cent (7%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at the office of Robert Clay Sparrow, 142 Stoney Point Drive, Blacksburg, SC 29702, or at such place as the legal holder hereof may designate in writing. The principal and interest shall be due and payable as follows:

in 240 consecutive and equal payments of \$2,205.73 each commencing January 1, 2012 and continuing to become due on the first day of each month thereafter until December 1, 2031 when all remaining amounts due hereunder shall be due and payable in full, all as shown on the attached amortization schedule.

All amounts of both principal and interest due hereunder shall be paid in full on or before December 1, 2031.

If payable in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial payments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust or Mortgage, if any, shall bear interest at the rate of Fifteen per cent (15%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust or Mortgage notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies, and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or Mortgage or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina. This Note is given for the balance of purchase price for the property located off Highway 51, Fort Mill, SC, and is secured by a Purchase Money Mortgage or Deed of Trust or Mortgage, which is a first lien upon said property.

IN TESTIMONY WHEREOF, the corporate maker has caused this instrument to be executed in its corporate name by its Manager, by the authority duly given by its managers and members, the day and year first above written.

Maurer Holdings, LLC

By: Tracy Coats
Tracy Coats, Manager

IN TESTIMONY WHEREOF, each individual maker or guarantor has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

B
L
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David Baucom (SEAL)
David Baucom, Guarantor
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K

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N

EXHIBIT "B"

201100156178
Filed for Record in
YORK COUNTY, SC
DAVID HAMILTON, CLERK OF COURTS
12-30-2011 At 02:31 pm.
MORTGAGE 12.00
OR Vol 12360 Page. 230 - 235

STATE OF SOUTH CAROLINA

MORTGAGE

COUNTY OF YORK

WHEREAS, Maurer Holdings, LLC, a North Carolina limited liability company (hereafter called Mortgagor), in and by their certain Note of even date, stands firmly held and bound unto Robert Clay Sparrow (hereafter referred to as Mortgagee) for payment of the full and just sum of Two Hundred Eighty Four Thousand Five Hundred Dollars (\$284,500.00) payable per terms of Note, with the entire balance, if not sooner paid, being due per terms of Note, with interest, if any, as in and by the Note, reference being had thereto, will more fully appear.

KNOW ALL MEN BY THESE PRESENTS: That the Mortgagor, for and inconsideration of the debt or sum of money aforesaid, and to better secure its payment to the Mortgagee according to the conditions of the Note, and also in consideration of the further sum of \$3.00 to the Mortgagor in hand well and truly paid by the Mortgagee at and before the sealing and delivery of these presents the receipt and sufficiency whereof is hereby acknowledged, have granted, bargained, sold and released, and by these Presents do grant, bargain, sell and release unto said unto the Mortgagee, his heirs and assigns, the real property described below:

SEE EXHIBIT "A" ATTACHED HERETO.

MORTGAGEE'S ADDRESS:

Robert Clay Sparrow
142 Stoney Point Drive
Blacksburg, SC 29702

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to said Premises belonging, or in any ways incident or appertaining.

BX 12360 P00230

TO HAVE AND TO HOLD, all and singular the premises unto the mortgagee, his heirs and assigns, forever.

AND THE MORTGAGOR does hereby bind himself and his heirs and successors to warrant and forever defend all and singular the premises unto the mortgagee, his heirs and assigns, from and against himself and his heirs and successors, lawfully claiming, or to claim the same, or any part thereof.

AND IT IS AGREED by and between the parties that the Mortgagor, his heirs and assigns, shall keep any building erected on the premises insured against loss and damage by fire for the benefit of the Mortgagee, for an amount not less than the sum shown above, with such company as shall be approved by the Mortgagee, his successors, heirs and assigns, and shall deliver the policy to the Mortgagee; and in default thereof, the Mortgagee, his successors, heirs and assigns may effect such insurance and reimburse themselves under this Mortgage to the expense thereof, together with interest thereon at the rate provided in the Note from the date of its payment.

AND IT IS FURTHER AGREED in the event of other insurance and contribution between the insurers that the Mortgagee, his successors, heirs and assigns, shall be entitled to receive from the aggregate of the insurance monies to be paid a sum equal to the amount of the debt secured by this Mortgage.

AND IT IS AGREED by and between the parties, that if the Mortgagor, his heirs and successors or assigns, shall fail to pay all taxes and assessments upon the premises when they shall first become payable, then the Mortgagee, his heirs or assigns, may cause the same to be paid, together with all penalties and costs incurred thereon, and reimburse herself under this Mortgage for the sum so paid, with interest thereon at the rate provided in the Note from the date of such payment.

AND IT IS AGREED by and between the parties that upon any default being made in the payment of the Note or of the insurance premiums, or of the taxes, or of the assessments hereinabove mentioned, or failure to pay any other indebtedness which constitutes a lien upon the real property when the same shall severally become payable, then the entire amount of the debt secured or intended to be secured hereby shall become due, at the option of the Mortgagee, his successors, heirs or assigns, although the period for the payment thereof may not then have expired.

AND IT IS AGREED by and between the parties that should legal proceedings be instituted for the collection of the debt secured hereby, then the Mortgagee, his successors, heirs or assigns, shall have the right to have a receiver appointed of the rents and profits of the premises, who, after deducting all charges and expenses attending such proceedings, and the execution of the trust as receiver, shall apply the residue of the rents and profits towards the payment of the debt secured hereby.

BX12360 P60231

AND IT IS FURTHER AGREED by and between the parties that should legal proceedings be instituted for the foreclosure of this Mortgage, or should the Mortgagees become a party to any action by reason of this Mortgage, or should the debt secured hereby be placed in the hands of an attorney at law for collection, by suit or otherwise, all costs and expenses incurred by the Mortgagee, including a reasonable attorney's fee, shall thereupon become due and payable as a part of the debt secured hereby, and may be recovered and collected hereunder.

PROVIDED ALWAYS, NEVERTHELESS, and it is the true intent and meaning of the parties, that if the Mortgagor does and shall well and truly pay, or cause to be paid, unto the Mortgagees, their successors, heirs and assigns, the debt or sum of money aforesaid, with interest thereon, and if any shall be due, according to the true intent and meaning of the Note and this Mortgage, then this Mortgage shall cease, determine and be utterly null and void; otherwise it shall remain in full force and virtue.

IN THE EVENT of sale of the mortgaged property or the transfer of any interest therein to any transferee, excepting only the creation of lien or encumbrance junior

to the lien of this Mortgage, Mortgagor agrees that the Mortgagees may, at their sole option, declare all sums secured by this Mortgage immediately due and payable in full. If the Mortgagee exercises its option to declare the entire amounts so secured to be paid in full, it shall give written notice to Mortgagor who shall have a period of thirty(30) days after the date such notice is mailed to pay the amount declared to be due. If Mortgagor fails to pay such sum prior to the expiration of such period, Mortgagees may without further notice or demand invoke all remedies permitted by this Mortgage.

AND IT IS AGREED by and between the said parties, that the Mortgagor should hold and enjoy the premises until default of payment shall be made.

BK 1-2-360 PG 232

WITNESS Grantors' hands and seals this the 1st day of December, 2011.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Maurer Holdings, LLC

Tracy Goins (SEAL)
By: Tracy Goins, Manager

William A. Reese
Witness # 1

Mark W. Hill
Witness # 2

0X 12360 P00233

State of North Carolina
County of Mecklenburg

Personally appeared before me the undersigned witness and made oath that he/she saw the within named Grantors, sign, seal and as Grantors' acts and deeds delivery the within Mortgage, and that he/she with the other witness subscribed above, witnessed the execution thereof.

William L. Reece
Witness # 1 signature William L. Reece

Sworn to before me this 1st day of December, 2011.

Jerry S. Spivey
Notary Public
Iredell County, NC

My commission expires: 12-18-13

BK 12360 PD0234

EXHIBIT A

ALL that certain piece, parcel or tract of land lying, being and situate
in Fort Mill Township, being shown and designated on *Boundary
Survey for Robert Clay Sparrow*, drawn by A. Alan Willwork,
S.C.R.L.S., dated 11-12-98, containing 3.75 acres, more or less, and
being recorded contemporaneously herewith in Plat Book B-55,
at page 5, said plat showing the following courses and
distances, to-wit: BEGINNING at an Iron, Joint corner with A.E.
Stone property and right of way for road and running thence, N. 35-
27-22 E. 200.80 feet to an Iron; thence N. 43-36-40 E. 109.33 feet to
an Iron, thence N. 43-30-13 E. 128.33 feet to an Iron, thence N. 74-
00-08 E. 206.34 feet to an Iron, thence N. 79-39-22 E. 121.04 feet to
an Iron, thence S. 12-55-47 E. 231.11 feet to an Iron, thence N. 73-38-
36 E. 85.00 feet to an Iron, thence S. 10-06 W. 450.00 feet to an Iron,
thence S. 79-02-30 E. 188.49 feet to an Iron, thence N. 11-04-58 E.
192.79 feet to an Iron, thence S. 78-36-50 E. 200.69 feet to an Iron,
thence N. 37-00-02 E. 153.07 feet to an Iron, thence N. 78-38-38 W.
74.01 feet to an Iron, thence along a clockwise curving arc (radius =
256.48') 107.88 feet to an Iron, thence N. 54-32-38 W. 51.73 feet to
an Iron, the point of beginning.

Being the property conveyed
to Mauzer Holdings, LLC
by deed recorded December 30,
2011 in Book 12360 at page 226

BK 12360 PG 235

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM YORK COUNTY
Court of Common Pleas
S. Jackson Kimball, Circuit Court Judge

C.A. Nos: 2013-CP-46-00438; 2013-CP-46-00440
Appellate Case No: 2016-001272

Robert Clay Sparrow and Mickey Crowe..... Respondents,

v.

Fort Mill Holdings, LLC, David Baucom and Maurer Holdings,
LLC..... Appellants.

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that Appellants' Record on Appeal complies
with Rule 210 of the South Carolina Appellate Court Rules.



Paul S. Landis
FAYSSOUX & LANDIS, P.A.
209 E. Washington Street
Greenville, South Carolina 29601
(864) 233-0445
(864) 233-4781 (Fax)

Attorney for Appellants

January 10, 2017
RECEIVED
JAN 17 2017
SC Court of Appeals