

ORIGINAL

**STATE OF SOUTH CAROLINA
In the Court of Appeals**

**APPEAL FROM ANDERSON COUNTY
Master in Equity**

The Honorable Ellis B. Drew, Jr., Master in Equity

C.A. No. 2011-CP-04-02157

Pinnacle Bank of SC,

RECEIVED

Respondent,

v.

FEB 20 2013

Marsha P. Wright and Richard A. Wright

SC Court of Appeals

Appellants,

RECORD ON APPEAL

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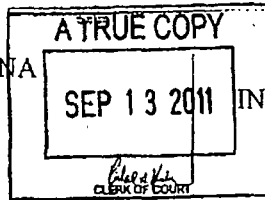
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STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON



IN THE COURT OF COMMON PLEAS

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

Case No. 2011-CP-040-2157

**MASTER-IN-EQUITY'S ORDER AND
JUDGMENT OF FORECLOSURE
AND SALE**

Pursuant to Rule 53 SCRPC, the above-entitled matter was referred to the Anderson County Master-In-Equity to make appropriate findings of fact and conclusions of law with authority to enter a final judgment in this cause. Any appeal from this Order is to the South Carolina Court of Appeals.

Pursuant to the Order of Reference granted in the above-entitled case, a hearing was held before the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County on the 13th day of September, 2011.

FINDINGS OF FACT

1. The Summons, Complaint and Lis Pendens were filed by Pinnacle Bank of SC ("Pinnacle Bank" or the "Plaintiff") in the Office of the Clerk of Court for Anderson County on July 12, 2011.
2. Service was made upon Defendant Marsha P. Wright ("Defendant Marsha Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.
3. Service was made upon Defendant Richard A. Wright ("Defendant

Richard Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.

4. The Affidavit of Default and Non-Military Service as to Marsha P. Wright and Richard A. Wright was filed with the Anderson County Clerk of Court's Office on August 31, 2011.

5. On August 31, 2011, an Order of Reference was filed with the Office of the Clerk of Court for Anderson County, referring this matter to the Master-In-Equity for Anderson County.

6. A Notice of Hearing was filed with the Office of the Clerk of Court for Anderson County, evidencing notice to the Defendants of the hearing scheduled for September 13, 2011.

7. On or about January 31, 2007, Defendant Marsha Wright, for consideration, made, executed and delivered a certain Promissory Note (the "Note"), payable to the order of Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010.

8. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants Marsha Wright and Richard Wright, on or about January 31, 2007, made, executed and delivered to Plaintiff a Mortgage ("Mortgage"), whereby Defendants Marsha Wright and Richard Wright mortgaged certain real property located in Anderson County (the "Mortgaged Premises")

described as follows¹:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

9. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36.

10. The obligations under the terms and conditions of the Note are in default for, among other reasons, the failure of Defendant Marsha Wright to repay the indebtedness in accordance with the terms thereof.

11. In the Note, it is provided that in the event of default in any of the terms thereof, the whole amount of the debt secured by the Mortgage would become immediately due and payable. By reason of the failure of Defendant Marsha Wright to

¹ The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later date.

comply with the terms and conditions of the Note and the Mortgage, the Plaintiff is entitled to foreclosure of the Mortgage.

12. The Note provides that, if the loan evidenced thereby is not paid when due, the maker will pay all reasonable costs and expenses of suit, including but not limited to reasonable attorneys' fees.

13. The Plaintiff has sent written notice to the Defendants of the default as required by and conforming to applicable law.

14. The Mortgage constitutes a valid first mortgage lien upon the Mortgaged Premises.

15. The amount due and owing on the Note, with interest at the rate provided in the Note, and other costs and expenses of collection, including reasonable attorneys' fees and costs, is as follows:

Principal as of September 6, 2011	\$462,669.44
Interest as of September 6, 2011	\$ 12,949.34
Per Diem: \$57.04144; Interest Rate: 4.50%	
Attorneys' Fees and Costs (allowed by the Court)	\$ 6,200.00
TOTAL DEBT ON THE NOTE AS OF SEPTEMBER 6, 2011	\$481,818.78

16. The Plaintiff is seeking foreclosure of the Mortgage and has demanded the right to a deficiency judgment against Defendant Marsha Wright, pursuant to S.C. Code Ann. Section 29-3-660 (1976).

17. Plaintiff is informed and believes that Defendant Richard Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the

Mortgage.

CONCLUSIONS OF LAW

I, therefore, conclude as follows:

1. The Plaintiff should have judgment of foreclosure of its Mortgage and the Mortgaged Premises should be ordered sold at public auction after due advertisement. The sale shall be made subject to taxes and assessments that are due on the day of sale. After making the required deposit, the successful bidder at the sale should be required to pay interest at the judgment rate until the date of compliance.

2. Plaintiff is entitled to Judgment against Defendant Marsha Wright for the total amount of the indebtedness due and owing to the Plaintiff, as set forth hereinabove.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The loan, under which the indebtedness arises, is not subject to modification under the HMP.

2. The Mortgaged Premises is commercial property, it is not an owner-occupied dwelling, and, therefore, is not subject to Administrative Order No. 2011-05-02-01 issued by The Supreme Court of South Carolina on May 2, 2011.

3. There is due to Plaintiff on the Note and Mortgage set forth in the Complaint, the sum of Four Hundred Eighty One Thousand Eight Hundred Eighteen and 78/100 Dollars (\$481,818.78), representing the "Total Debt" due to Plaintiff on the Note, together with interest on the principal balance from September 7, 2011, to the date of judgment.

4. The Total Debt amount due in the preceding paragraph (supra, and later accrued interest on the principal to the date of judgment) shall constitute the total judgment debt due to the Plaintiff and shall bear interest after the date of judgment at the

rate of 4.50% per annum.

5. Defendant Marsha Wright shall, on or before the date of sale of the property hereinafter described, pay to the Plaintiff's attorney the amount of Plaintiff's debt as aforesaid, together with the costs and expenses of this action.

6. On default of payment at or before the time herein indicated, the Mortgaged Premises described in the Complaint, as hereinafter set forth, shall be sold by the Master-In-Equity for Anderson County or his agent at public auction, at Anderson, South Carolina, on some convenient sales day hereafter (and should the regular day of judicial sales fall on a legal holiday, then and in such event, the sales day shall be on the next Tuesday succeeding such holiday), on the following terms, that is to say:

(a) FOR CASH: The Master-In-Equity or his agent will require a deposit of 5% on the amount bid (in cash or equivalent) same to be applied on the purchase price only upon compliance with the bid, but in case of non-compliance within twenty (20) days same to be forfeited and applied to the costs and any surplus pending further order of the Court.

(b) Interest on the balance of the bid shall be paid through the day of compliance at the judgment rate.

(c) The sale shall be subject to the taxes and assessments due on the day of such sale, and existing easements and restrictions of record.

(d) Purchaser shall pay for the preparation of the deed and costs of recording the deed.

7. If Plaintiff is the successful bidder at said sale, for a sum not exceeding the amount of costs, expenses, and the indebtedness of Plaintiff in full, Plaintiff may pay to

the Master-In-Equity for Anderson County only the amount of the costs and expenses, crediting the balance of the bid on Plaintiff's indebtedness.

8. Personal or deficiency judgment having not been waived, the sale will remain open for thirty (30) days pursuant to S.C. Code Ann. Section 15-39-720, (1976).

9. The Master-In-Equity for Anderson County, will by advertisement according to law, give notice of the time and place of sale, and the terms thereof and will execute to the purchaser, or purchasers, a deed to the realty sold. Plaintiff, or any other party to this action, may become a Purchaser at such sale, and if, upon such sale being made, the purchaser, or purchasers, should fail to comply with the terms thereof within twenty (20) days after date of sale, then the Master-In-Equity for Anderson County may advertise the said property for sale on the next, or some other subsequent sales day, at the risk of the former highest bidder, and so from time to time thereafter until a full compliance shall be secured.

10. The Master-In-Equity for Anderson County shall apply the proceeds of the sale as follows:

First: To payment of the costs and disbursements of this action;

Next: To the payment to Plaintiff or its attorney, of the amount of Plaintiff's debt and interest or so much thereof as the purchase money will pay on the same.

Next: Any surplus will be held pending further Order of this Court.

11. It is further ORDERED, ADJUDGED AND DECREED that in the event the successful bidder is other than the Defendant and if a Writ of Assistance is presented, the Sheriff of Anderson County is ordered and directed to eject and remove from the premises the occupant(s) of the property sold, together with all personal property located

thereon, and put the successful bidder or his assigns in such peaceable possession. All valid tenant rights shall be protected pursuant to the Protecting Tenants at Foreclosure Act of 2009.

12. And it is further ORDERED, ADJUDGED AND DECREED that the Defendant and all persons whosoever claiming under the Defendant be forever barred and foreclosed of all right, title, interest, and equity of redemption in the said Mortgaged Premises so sold, or any part thereof.

13. IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. § 30-9-31 (Supp. 1987), the deed of conveyance made pursuant to said sale shall be indexed in the grantor index by the Registrar of Deeds in the name of the owner of record of the Mortgaged Premises immediately prior to execution of the deed, as well as in the name of the Master-In-Equity for Anderson County, who executes such deed as grantor.

14. The Master-In-Equity will retain jurisdiction to do all the necessary acts incidental to this foreclosure including, but not limited to, the issuance of a Writ of Assistance and disposing of any surplus funds pursuant to Rule 71 (c), SCRPC.

15. The Mortgaged Premises ordered to be sold is described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John

D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

16. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if the Plaintiff or the Plaintiff's representative does not appear at the scheduled sale of the above-described property, then the sale of the property will be null, void and of no force and effect. In such event, the sales will be rescheduled for the next available sales day.

AND IT IS SO ORDERED.

September 13, 2011

/s/ Ellis B. Drew, Jr.
Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

Pinnacle Bank of SC,

Plaintiff,

vs.

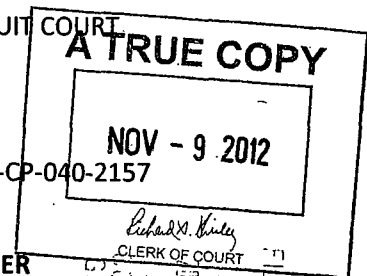
Marsha P. Wright and Richard A. Wright,

Defendants.

IN THE CIRCUIT COURT

Case No. 2011-CP-040-2157

ORDER



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ANDERSON SC
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GENERAL SESSIONS

This matter came before me upon a Motion For Relief From Judgment / Order, filed by the Defendants herein on August 21, 2012, and seeking relief under SCRCP 60(b)(4). The matter was briefed by counsel, and came before me for hearing on October 4, 2012. Appearing at the hearing were Val H. Stieglitz and Suzanne G. Grigg for the Plaintiff, and Wendell L. Hawkins for the Defendants. Based upon a thorough review of the record herein, the briefs submitted by counsel, the arguments made by counsel, and the applicable law, I find and conclude that the Motion for Relief from Judgment / Order should be, and hereby is, DENIED, for the reasons set forth below.

This action was commenced on July 12, 2011, when the Plaintiff filed an action seeking to foreclose upon a mortgage executed by Marsha P. Wright ("Defendant M. Wright") and Richard A. Wright ("Defendant R. Wright") (collectively, hereinafter the "Wright Defendants") in favor of the Plaintiff and obtain a deficiency judgment. The mortgage covered two separate pieces of property, which were recited separately in the mortgage and referred to as Parcel 1 and Parcel 2. Defendant M. Wright was in default on the debt which was secured by the

mortgage. The action filed on July 12, 2011, sought only to foreclose on Parcel 1 (this action is referred to as the "Parcel 1" action.) The Complaint in the Parcel 1 action is a matter of record. The Defendants were served with the Complaint in the Parcel 1 action, but intentionally defaulted, and did not appear. The Parcel 1 action was referred to the Anderson County Master-in-Equity with authority to enter a final judgment in the matter. Accordingly, I issued a Master-in-Equity's Order and Judgment of Foreclosure and Sale on September 13, 2011. This Order and Judgment found that the subject Note and Mortgage were valid, and the Plaintiff was entitled to foreclose on Parcel 1 and obtain a deficiency judgment. The Order and Judgment also contained a footnote (Footnote 1) reading as follows: *"The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later date."* The Order and Judgment was served upon the Defendants on September 22, 2011. The Parcel 1 foreclosure action proceeded in the ordinary course, resulting in an Order for Deficiency Judgment, a judicial sale of Parcel 1, a Partial Release of Mortgage Lien as to Parcel 1, and a Master's Deed to Pinnacle Bank as to Parcel 1. The Order and Judgment provided that the Anderson County Master-in-Equity retained jurisdiction to do "all the necessary acts incidental to this foreclosure..." and the Defendants' Motion for Relief From Judgment / Order was referred to me for final decision.

On November 7, 2011, the Plaintiff filed a separate action, seeking to foreclose on Parcel 2 (this will be referred to as the "Parcel 2" action.) That action is presently pending in the Anderson County Circuit Court, bearing Civil Action No. 2011-CP-04-3285. The Defendants

W

have appeared in that action, and asserted various affirmative defenses and counterclaims. On March 23, 2012, the Defendants filed a Motion to Dismiss the Parcel 2 action on grounds of *res judicata*. The Parcel 2 action has not been referred to the Master-in-Equity although a Motion to Refer is currently pending. The Defendants' Motion to Dismiss the Parcel 2 action based upon *res judicata* was heard by the Circuit Court on July 30, 2012, and denied. The Parcel 2 action remains underway before the Circuit Court as of the date of this Order.

In their Motion For relief From Judgment / Order, the Defendants assert that this Court lacked subject-matter jurisdiction in the Parcel 1 action to make rulings with respect to Parcel 2 in its Order and Judgment, and that the references to Parcel 2 in Footnote 1 of the Order and Judgment are, therefore, void under SCRCP 60(b)(4). The reasoning behind this argument is set forth in the Defendants' briefs herein filed with the Court. The Plaintiff has advanced multiple arguments as to why the Defendants' Motion should be denied, including: that it was not necessary for the Court to obtain jurisdiction over Parcel 2; that it had jurisdiction even if jurisdiction was required; that the motion is time-barred and was not made within a reasonable time; that the motion does not meet the "upon such terms as are just" requirement of SCRCP 60. I have fully considered all the arguments of the Plaintiff and Defendants, the record, and the applicable law.

In denying the Defendant's Motion For Relief From Judgment / Order, I conclude that the Master in Equity's Order and Judgment neither purported to, nor did, adjudicate the Plaintiff's right to foreclose on Parcel 2, but instead expressly reserved any adjudication of the Plaintiff's right to foreclose on Parcel 2 for a later action, which action is now underway. It was, therefore, not necessary for this Court to acquire jurisdiction over Parcel 2 in the Parcel 1



action. This Court merely acknowledged the Plaintiff's reservation of rights as to Parcel 2. Enforcement of the Note and Mortgage against Parcel 2 is a separate matter, which will be decided in the Parcel 2 action. Having so concluded, it is not necessary to rule upon the additional grounds cited by the Plaintiff in its brief for denial of the Plaintiff's Motion for Relief from Judgment / Order.

AND IT IS SO ORDERED.


The Honorable Ellis B. Drew, Jr.
Master-in-Equity for Anderson County

Nov. 7, 2012
Anderson, South Carolina



STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

IN THE COURT OF COMMON PLEAS

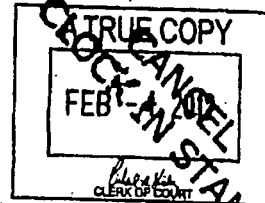
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Case No. 2011-CP-040-2157

Realty
CLERK OF COURT

ORDER FOR DEFICIENCY
JUDGMENT



Pursuant to the *Master-In-Equity's Order and Judgment of Foreclosure and Sale* filed in the above-captioned case on September 13, 2011, the Plaintiff is entitled to a personal deficiency judgment against Defendant Marsha P. Wright as follows:

Amount of judgment of foreclosure entered by the Court as of September 6, 2011	\$481,818.78
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Plus: Interest at 4.50% per annum on the principal balance from September 7, 2011 through September 13, 2011 (7days @ \$57.04144 per day)	\$ 399.29
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TOTAL JUDGMENT AMOUNT AS OF SEPTEMBER 13, 2011	\$482,218.07
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Plus: Interest at 4.50% per annum on the total judgment amount from September 14, 2011 through November 3, 2011 (51 days @ 59.4516 per day)	\$ 3,032.03
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TOTAL JUDGMENT DEBT COMPUTED ON CLOSE OF SALE ON NOVEMBER 3, 2011	<u>\$485,250.10</u>
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Credit Bid Allowance	\$75,000.00
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LESS: Costs incurred through Equity Court proceedings	(\$ 750.00)
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NET SALES PROCEEDS (CREDIT
BID)

\$74,250.00

AMOUNT OF PERSONAL
DEFICIENCY JUDGMENT
ENTERED AGAINST DEFENDANT
LINDA P. WRIGHT. DEFICIENCY
JUDGMENT WILL CONTINUE TO
ACCRUE INTEREST AT THE RATE
OF 4.5% PER ANNUM FROM
NOVEMBER 4, 2011 UNTIL FULLY
SATISFIED.

\$411,000.10

AND IT IS SO ORDERED.



The Honorable Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

Anderson, South Carolina
January 27, 2012

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

IN THE COURT OF COMMON PLEAS

Case No. 2011 - CP-04-02157

Pinnacle Bank of SC,

Plaintiff,

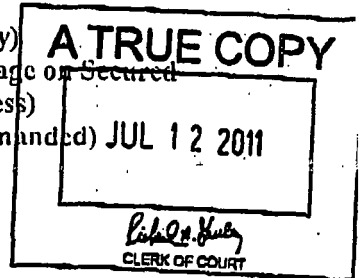
vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

COMPLAINT

(Non-Jury)
(Foreclosure of Mortgage on Secured
Indebtedness)
(Deficiency Demanded) JUL 12 2011



Plaintiff, Pinnacle Bank of SC, would show unto this Court as follows:

1. Plaintiff is a banking institution organized under the laws of the United States of America, doing business in South Carolina, and the property described herein, which is the subject of this action, is situated in the State of South Carolina in Anderson County.
2. Upon information and belief, Defendant Marsha P. Wright ("Defendant Marsha Wright") is an individual and resident of Anderson County, South Carolina.
3. Upon information and belief, Defendant Richard A. Wright ("Defendant Richard Wright") is an individual and resident of Anderson County, South Carolina.
4. This is a mortgage foreclosure on property located in Anderson County.
5. The loan, under which the indebtedness arises, is not subject to modification under the Home Affordable Modification Program (the "HMP") or the HMP Guidelines promulgated by the United States Department of the Treasury dated March 4, 2009, as may be amended or supplemented from time to time.
6. The loan, under which the indebtedness arises, is a commercial loan.

7. The real property, which is the subject of this foreclosure action, is not an "owner-occupied dwelling" as defined by Administrative Order No. 2011-05-02-01.

8. The indebtedness secured by the mortgage lien on the real property is commercial indebtedness.

9. The indebtedness due and owing to the Plaintiff by Defendant Marsha Wright, and the real property securing the indebtedness are not subject to the provisions of Administrative Order No. 2011-05-02-01.

10. This Court has jurisdiction over this matter and venue is proper in Anderson County, South Carolina.

11. On or about January 31, 2007, Defendant Marsha Wright, for consideration, made, executed and delivered a certain Promissory Note (the "Note"), payable to the order of Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010. A true copy of the Note is attached hereto as Exhibit "A" and incorporated herein by reference.

12. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants Marsha Wright and Richard Wright, on or about January 31, 2007, made, executed and delivered to Plaintiff a Mortgage ("Mortgage"), whereby Defendants Marsha Wright and Richard Wright mortgaged certain real property located in Anderson County (the "Mortgaged Premises") described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major

portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033.

Property Address:

Old Mill Road
Anderson County, SC.

13. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36. A true copy of the Mortgage is attached hereto as Exhibit "B" and incorporated herein by reference.

14. In the Note, it is further provided that if the loan evidenced thereby is not paid when due, the maker would pay all reasonable costs and expenses of suit, including but not limited to reasonable attorney's fees.

15. In the Note, it is provided that in the event of default in any of the payments as therein provided, the whole amount of the debt secured by the Mortgage would become immediately due and payable. Defendant Marsha Wright has failed to pay Plaintiff the total amount due and owing, which matured on January 22, 2011, although demand has been made therefore.

16. By reason of the failure of Defendant Marsha Wright to pay the total amount due on the Note, as it has matured, Plaintiff has exercised its option under the Note and demanded the immediate payment due thereunder, which is secured by the

Mortgage. As a result of Defendant Marsha Wright's failure to pay the indebtedness according to the terms of the Note, Plaintiff is entitled to foreclosure of the Mortgage.

17. As of April 30, 2011, there is due and owing to Plaintiff by Defendant Marsha Wright on the Note, the sum of Four Hundred Sixty-Eight Thousand Eight Hundred Thirty and 85/100 Dollars (\$468,830.85), plus interest that continues to accrue, plus late charges, and together with attorneys' fees as provided in the Note and/or Mortgage and other applicable costs.

18. Plaintiff is informed and believes that its Mortgage constitutes a valid first lien on the Mortgaged Premises.

19. Plaintiff does not waive but specifically demands judgment against Defendant Marsha Wright for the full amount found to be due to Plaintiff, with the right to enter personal judgment against said Defendant Marsha Wright for any deficiency remaining after sale of the Mortgaged Premises.

20. Plaintiff is informed and believes that Defendant Richard Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the Mortgage.

WHEREFORE, Plaintiff prays:

(a) That the amounts due upon the Note be ascertained and determined under the direction of the Court;

(b) For a judgment of foreclosure for the amount so found to be due and owing to Plaintiff, together with reasonable attorney's fees and the costs of this action;

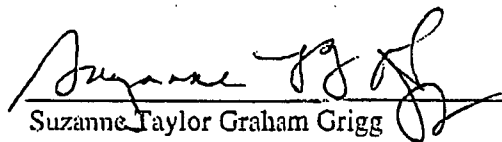
(c) That the Mortgaged Premises be sold pursuant to Order of this Court, the

equity of redemption be barred, and the proceeds of sale be first applied to the costs and expenses of this action, with the remaining proceeds being applied upon Plaintiff's judgment and attorney's fees, any amount in excess to be held by the Court until further ordered;

(d) That Defendants Marsha Wright and Richard Wright, and all persons whomsoever claiming by or through Defendants Marsha Wright and Richard Wright, be forever barred of all right, title and interest of, in and to the Mortgaged Premises, and each and every part thereof;

(e) For a judgment against Defendant Marsha Wright for the full amount found to be due Plaintiff, with the right to enter personal judgment against Defendant Marsha Wright for any deficiency remaining after the sale of the Mortgaged Premises; and

(f) For such other and further relief as the Court may deem just and proper.



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July 11, 2011
Columbia, South Carolina

Attorneys for Plaintiff, Pinnacle Bank of SC

MARSHA P. WHIGHT
2003 OLD MILL ROAD
EASLEY, SC 29842

PINNACLE BANK OF SC
P O BOX 8508
GREENVILLE, SC 29608

LOAN NUMBER 0011142
Date 01-31-2007
Maturity Date 04-16-2008
Loan Amount \$ 488,812.00
Holds of
AFFILIATE BLL

BORROWER'S NAME AND ADDRESS
"I" includes each borrower above, jointly and severally.

LENDER'S NAME AND ADDRESS
"You" means the lender, its successors and assigns.

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FOUR HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED TWELVE AND NO/100 Dollars \$ 488,812.00

- ☒ Single Advance: I will receive all of this principal sum on 01-31-2007. No additional advances are contemplated under this note.
☐ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On I will receive the amount of \$ and future principal advances are contemplated.

Conditions: The conditions for future advances are

- ☐ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on

- ☐ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 01-31-2007 at the rate of 8.500 % per year until 02-01-2007

- ☒ Variable Rate: This rate may then change as stated below.

☒ Index Rate: The future rate will be 0.250 PERCENT ABOVE the following index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE. THE RESULT OF THIS CALCULATION WILL BE ROUNDED TO THE NEAREST 0.001

- ☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

- ☒ Frequency and Timing: The rate on this note may change as often as EVERY DAY BEGINNING 02-01-2007

A change in the interest rate will take effect ON THE SAME DAY

- ☒ Limitations: During the term of this loan, the applicable annual interest rate will not be more than 10.000% or less than 6.000 %. The rate may not change more than % each

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

- ☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

ACCUAL METHOD: Interest will be calculated on a ACTUAL/DAYS basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

- ☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).

- ☐ at a rate equal to

- ☒ LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF \$6.20 AND A MAX OF \$15.50

- ☒ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: ORIGINATION FEE \$2,515.00; APPRAISAL FEES \$550.00; FLOOD CERTS. \$29.00; ADMINISTRATIVE FEE \$150.00

PAYMENTS: I agree to pay this note as follows:

14 MONTHLY INTEREST PAYMENTS HANGING FROM \$3057.56 TO \$3385.18 BEGINNING 02-20-2007 AND 1 PAYMENT OF \$470,977.50 ON 04-16-2008. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE. THE FINAL PAYMENT MAY ALSO CHANGE.

ADDITIONAL TERMS:

- ☒ SECURITY: This note is separately secured by (separately) separate document by type and date:

REAL ESTATE MORTGAGE DATED 01/31/2007

(This section is for your internal use. Failure to file a separate security document does not secure this agreement will not secure this note.)

Signature for Lender

James D. Stewart
JIM STEWART, LVR

PURPOSE: The purpose of this loan is REFINANCE PRIMARY RESIDENCE
HELPO PURCHASE DAUNHEDS CONDO AND PURCHASE LAND ADJACENT TO PRIMA
SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Marsha P. Whight
MARSHA P. WHIGHT

EXHIBIT

A

UNIVERSAL NOTE

EXP-001 © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN 3/4/2002

(page 1 of 2)

23

1137

This document was prepared by PINNACLE BANK OF SC 110 BOX 8508 GREENVILLE, SC 29608

State of South Carolina

Space Above This Line For Recording Data

MORTGAGE (With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 03/31/2007 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: MARSHA P. WRIGHT and Richard A. Wright
2003 OLD MILL ROAD
EASLEY, SC 29842

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: PINNACLE BANK OF SC
UNAUTHORIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA
P O BOX 8508
GREENVILLE, SC 29608

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
FIRST REAL ESTATE MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT OLD MILL ROAD, 7 ACRES, TAX # 1000011004, EASLEY, SC 29842;
SECOND MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT 2003 OLD MILL ROAD, EASLEY, SC 29842.

The property is located in ANDERSON, at 2003 OLD MILL ROAD.
(County)
EASLEY, South Carolina 29842.
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 488,912.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument. Interest under the Note will be deferred, accrued or capitalized; however, Mortgagor shall not be required to defer, accrue or capitalize any interest except as provided in the Note.

4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

MARSHA P. WRIGHT
\$488,912.00
PRIME + .25%
MATURITY 4/15/2008

EXHIBIT

B

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.
- This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.
5. **PAYMENTS.** Mortgagor agrees that all payments under this Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
- A. To make all payments when due and to perform or comply with all covenants.
- B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
- C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.
- Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.
11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.
12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Mortgage. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

[Signature] (page 2 of 2)
[Signature]

13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment when due. A good faith belief by Lender that the prospect of any payment, performance, or realization on the Property is significantly impaired shall also constitute an event of default.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, reasonable attorneys' fees of not more than 15% of the unpaid debt when it is referred for collection to an attorney who is not a salaried employee of the lender, court costs, and other legal expenses allowed by law. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
- C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

MPA *1/10/07* *PRW*

20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whichever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
25. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.
26. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
 - ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
 - ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
 - ☐ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. (Check all applicable boxes)
 - ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
 - ☐ **Additional Terms.**

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Marsha P. Wright
 (Signature) MARSHA P. WRIGHT
 (Date)

Richard A. Wright
 (Signature) RICHARD A. WRIGHT
 (Date)

Signed, sealed and delivered in the presence of:

[Signature]
 (Witness)

[Signature]
 (Witness)

PROBATE:

STATE OF SOUTH CAROLINA COUNTY OF Anderson ss.
 Personally appeared before me the undersigned witness who, being duly sworn, depose and said that (s)he saw the Mortgagor (and each Mortgagor if more than one) sign, seal and deliver the foregoing Mortgage and that (s)he, together with the other witness whose name appears as a witness, witnessed the execution thereof.

Sworn in and subscribed before me this 22nd day of JANUARY, 2007.

[Signature]
 (Seal)
 Notary Public for South Carolina

My commission expires: 6-3-15

[Signature]

Exhibit "A"

Parcel 1:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by deed from John D. Sitten, Jr., and Ruth R. Sitten, as Trustees under the Last Will and Testament of John D. Sitten by deed of Distribution of Deed dated 1/31/07 and recorded 2/7/07 in Deed Book 1841, at Page 185, in the R/D Office for Anderson County, South Carolina.

Parcel 2:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

This being a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by deed from Dale S. Rogers dated 2/25/00 and recorded 3/9/00 in Deed Book 3673, at Page 89, in the R/D Office for Greenville County, South Carolina.

The above described properties are subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

07000906 3/22/2007 09:04:41 AM
FILED, RECORDED, INDEXED
Bk: 07917 Ps: 00034 Pages: 005
Rec Fee: 11.00 St Fee:
Co Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

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

PINNACLE BANK OF SC,)
)
 PLAINTIFF,)
)
 VS) 2011-CP-04-2157
)
 MARSHA P. WRIGHT AND RICHARD A.)
 WRIGHT,)
)
 DEFENDANTS.) ANDERSON, SC
) OCTOBER 4, 2012

TRANSCRIPT OF TESTIMONY

BEFORE THE HONORABLE ELLIS B. DREW, JR.
MASTER IN EQUITY FOR THE TENTH JUDICIAL CIRCUIT

APPEARANCES

FOR PLAINTIFF: VAL H. STIEGLITZ, ESQ.
SUZANNE G. GRIGG, ESQ.
NEXSEN PRUET, LLC
PO DRAWER 2426
COLUMBIA, SC 29202
803.253.8262 (T)
803.727.1496 (F)

FOR DEFENDANTS: WENDELL L. HAWKINS, ESQ.
WENDELL L. HAWKINS, PA
103-C REGENCY COMMONS DRIVE
GREER, SC 29650
864.848.9370 (T)
864.848.9759 (F)

COURT REPORTER: KAREN T. SENN
CIRCUIT COURT REPORTER
406 DOVE TREE LANE
ANDERSON, SC 29621
864.226.8170 (H)
864.260.4052 (O)

I N D E XWITNESSES:DIRECT CROSS REDIRECT RECROSS

NONE

EXHIBITSFOR PLAINTIFF:IN EVD.

NONE

FOR DEFENDANTS:

NONE

1 THE COURT: THIS IS CASE 2011-CP-04-2157,
2 PINNACLE BANK OF SOUTH CAROLINA VERSUS MARSHA P. WRIGHT
3 AND RICHARD A. WRIGHT. THIS MATTER WAS REFERRED TO THIS
4 COURT ON AUGUST 31, 2011, WITH AUTHORITY TO ENTER A FINAL
5 JUDGMENT IN THE CAUSE.

6 APPEARING AS COUNSEL IN THE MATTER ARE ATTORNEY
7 WENDELL HAWKINS ON BEHALF OF THE DEFENDANTS. MR.
8 HAWKINS, YOU HAVE TWO ASSOCIATES WITH YOU?

9 MR. HAWKINS: YES, YOUR HONOR. AIMEE KAPLAN
10 AND WILLIE PETERS.

11 THE COURT: ALL RIGHT, THANK YOU. APPEARING
12 ON BEHALF OF PINNACLE BANK ARE SUZANNE GRAHAM GRIGG AND
13 VAL STIEGLITZ FROM NEXSEN PRUET.

14 ALL RIGHT, MR. HAWKINS, YOU HAVE A MOTION, I
15 BELIEVE.

16 MR. HAWKINS: YES, YOUR HONOR. MAY IT PLEASE
17 THE COURT. YOUR HONOR, THIS IS A MOTION FOR RELIEF FROM
18 AN ORDER THAT AROSE OUT OF THIS PARTICULAR CASE. THAT
19 WAS AN ORDER OF FORECLOSURE, YOUR HONOR.

20 THE FORECLOSURE ORDER -- AND I THINK WE'RE ALL
21 IN AGREEMENT ON THE BACKGROUND OF THE FACTS. THE
22 MORTGAGE THAT WAS FORECLOSED UPON IN THIS PARTICULAR
23 ACTION SECURED TWO PIECES OF PROPERTY, EACH BESIDE EACH
24 OTHER. IN THE PARTICULAR FORECLOSURE ACTION, YOUR HONOR,
25 A SUMMONS AND COMPLAINT WERE FILED IN WHICH THE ONLY

1 ALLEGATIONS IN THE COMPLAINT WERE WITH RESPECT TO WHAT WE
2 REFER TO AS PARCEL 1 WHICH IS A VACANT LOT BESIDE MY
3 CLIENTS' HOUSE WHICH IS THE PARCEL 2. THERE WAS NOTHING
4 IN THE COMPLAINT REGARDING PARCEL 2 WHICH IS THE HOUSE
5 THAT SHE LIVES IN.

6 AN ORDER OF FORECLOSURE WAS ISSUED BY YOUR
7 HONOR AND THERE WAS A FOOTNOTE ON PAGE 3 OF THE ORDER
8 THAT SAID, AND I'M PARAPHRASING HERE, THIS MORTGAGE ALSO
9 SECURES ADDITIONAL PROPERTY OR SOMETHING TO THAT NATURE.

10 THE REASON THIS IS AN ISSUE IS BECAUSE A SECOND
11 ACTION WAS FILED ON THE HOUSE ABOUT, LET'S SAY EIGHT OR
12 NINE MONTHS LATER, YOUR HONOR. ONE OF OUR DEFENSES TO
13 THAT PARTICULAR CASE ---

14 THE COURT: WHAT'S THE STATUS OF THAT CASE
15 NOW?

16 MR. HAWKINS: IT'S STILL PENDING, YOUR HONOR.

17 THE COURT: ALL RIGHT.

18 MR. HAWKINS: WE'VE GOT SOME COUNTERCLAIMS AND
19 WE'RE ASKING FOR A JURY TRIAL. I THINK THERE WAS AN
20 ORDER OF REFERENCE SUBMITTED OR A MOTION.

21 THE COURT: ALL RIGHT.

22 MR. HAWKINS: BUT OUR DEFENSE IN THAT CASE,
23 YOUR HONOR, -- THAT DEFENSE IS RES JUDICATA BECAUSE THE
24 DEFENDANTS OR THE PLAINTIFF HAD ALREADY LITIGATED THIS
25 MATTER. IT HAD THE OPPORTUNITY TO FORECLOSE ON THIS

1 PARTICULAR PIECE OF PROPERTY IN THIS PARTICULAR ACTION
2 AND THEY DID NOT.

3 NOW WHY THE FOOTNOTE IS AN ISSUE, YOUR HONOR,
4 IS BECAUSE UNDER THE RESTATEMENT OF JUDGMENTS, WHICH IS
5 TYPICALLY RECOGNIZED BY OUR APPELLATE COURT, THERE IS A
6 CARVE OUT TO THE DEFENSE OF RES JUDICATA, THAT BEING THAT
7 THE ISSUED WAS RESERVED IN A PRIOR ORDER.

8 WELL, OUR POSITION IS BECAUSE THEY DIDN'T PLEAD
9 ANYTHING WITH RESPECT TO THE OTHER PIECE OF PROPERTY,
10 PARCEL 2, THEY CAN'T, THE COURT CAN'T MAKE RULINGS ON
11 THAT PARTICULAR PIECE OF PROPERTY, ANY ADDITIONAL
12 PROPERTY, BECAUSE THE COURT DOESN'T HAVE THE SUBJECT
13 MATTER IN REM JURISDICTION. THE COURT HAS THE IN
14 PERSONAM JURISDICTION BUT TO MAKE A RULING AS TO ANY
15 OTHER ADDITIONAL PROPERTY, WHETHER IT BE PARCEL 2 OR
16 ANYTHING ELSE, THE COURT LACKS THE IN REM JURISDICTION TO
17 MAKE ORDERS REGARDING THAT PARTICULAR PIECE OF PROPERTY.

18 SO THAT'S WHY IT'S IMPORTANT TO US IN THIS CASE
19 TO GET RELIEF FROM THAT PARTICULAR ORDER.

20 NOW RULE 60(B)(4) IS WHAT OUR MOTION IS AND
21 SAYS IF THE JUDGMENT IS VOID AND WHAT VOID MEANS, AMONGST
22 OTHER THINGS, IS THAT IF THE COURT LACKS JURISDICTION
23 THEN THAT PART IS VOID AND THAT JURISDICTION, YOUR HONOR,
24 YOU KNOW, -- I THINK THE PLAINTIFF IS GOING TO ARGUE THAT
25 IT'S REALLY A 59(E) MOTION TO ALTER OR AMEND THE

1 JUDGMENT, BUT IT'S NOT.

2 RULE 59(E), YOUR HONOR, IS WHERE THERE HAS BEEN
3 A HEARING, THERE'S BEEN PROPER -- AND WE BRIEFED THIS
4 EXTENSIVELY -- THERE'S BEEN PROPER JURISDICTION AND A
5 LITIGANT BELIEVES THAT THE COURT MADE AN ERROR IN THE
6 ORDER. OF COURSE, THEY WOULD GET THE TRANSCRIPT AND, YOU
7 KNOW, PROVE THAT IN THE MOTION.

8 A 60(B)(4) IS NEVER TIME BARRED. THERE IS A
9 STATEMENT IN THE RULE THAT IT'S GOT TO BE WITHIN A
10 REASONABLE TIME BUT CERTAINLY IT DOES SAY THAT YOU CAN
11 FILE IT -- IT DOESN'T SAY THAT YOU HAVE TO FILE THE
12 MOTION WITHIN ONE YEAR. THAT'S ONE OF THE EXCEPTIONS FOR
13 60(B). YOU CAN FILE AFTER ONE YEAR ONLY UNDER THE
14 EXCEPTIONAL CIRCUMSTANCE THAT THERE IS THIS LACK OF
15 JURISDICTION.

16 OUR RESPONSE TO THAT IS, YOUR HONOR, WE FILED
17 OUR MOTION WITHIN A YEAR, SO CERTAINLY IF WE FILE IT
18 WITHIN THE YEAR WE THINK THAT WOULD CERTAINLY QUALIFY AS
19 REASONABLE UNDER THE STANDARDS.

20 SECONDLY, YOUR HONOR, OF COURSE, I'LL LET THEM
21 PUT UP THEIR CASE, BUT I THINK THEY'RE GOING TO ARGUE
22 THAT THE COURT DIDN'T NEED JURISDICTION OR IT HAD
23 JURISDICTION BECAUSE THEY HAD ATTACHED THE MORTGAGE AS AN
24 EXHIBIT. UNDER RULE 10(C) IT TENDS TO MENTION THAT
25 THAT'S THE CASE BUT IN THE CASE LAW THAT WE BRIEFED, YOUR

1 HONOR, AN EXHIBIT CAN ONLY EXPLAIN OR HELP CLARIFY THE
2 PLEADINGS. IF THEY ARE GOING TO FORECLOSE ON PARCEL 2
3 THAT HAS TO BE SQUARELY WITHIN THE FOUR CORNERS OF THE
4 PLEADINGS AND BECAUSE THEY DIDN'T, AGAIN, THEY DIDN'T
5 HAVE SUBJECT MATTER JURISDICTION AND THAT PARTICULAR
6 PORTION OF THE ORDER THAT PRESERVES THEIR RIGHT TO
7 ADDITIONAL PROPERTY IS IMPROPER BECAUSE THE COURT DIDN'T
8 HAVE JURISDICTION.

9 I THINK THAT'S ABOUT IT IN A NUTSHELL.

10 THE COURT: THANK YOU.

11 MR. STIEGLITZ: THANK YOU, YOUR HONOR. MAY IT
12 PLEASE THE COURT, IT IS ENTIRELY COMMON IN THE COURTS OF
13 SOUTH CAROLINA, AND I SUSPECT YOU HAVE SEEN IT IN THIS
14 COURT AS WELL, FOR A LENDER WHO HAS SECURED A DEBT WITH
15 MULTIPLE PIECES OF PROPERTY TO PROCEED TO FORECLOSE ON A
16 PORTION OF THE COLLATERAL IN ONE ACTION, A PORTION OF THE
17 COLLATERAL IN A DIFFERENT ACTION. THERE IS NO LAW IN
18 SOUTH CAROLINA THAT REQUIRES A LENDER TO JOIN TOGETHER OR
19 TO BRING TOGETHER IN ONE FORECLOSURE ACTION ITS RIGHTS AS
20 TO EVERY PIECE OF COLLATERAL.

21 UNDERPINNING COUNSEL'S ARGUMENT IS THE
22 PROPOSITION THAT YOU ARE REQUIRED TO DO THAT AND THAT'S
23 SIMPLY NOT THE CASE. THAT WOULD TURN UPSIDE DOWN THE
24 ESTABLISHED PRACTICE THAT LENDERS AND OUR COURTS HAVE
25 FOLLOWED FOR YEARS.

1 THERE'S ANOTHER FLAW AT THE HEART OF THE
2 ARGUMENT THAT COUNSEL HAS MADE. COUNSEL ARGUES THAT THE
3 COURT, YOUR HONOR, MAKES FINDINGS THAT ADJUDICATED
4 RIGHTS AS TO PARCEL NUMBER 2 IN THE PRIOR FORECLOSURE
5 ACTION. THAT IS NOT THE CASE. THE CASE IS 180 DEGREES
6 THE OPPOSITE. WHAT YOUR HONOR DID WAS STATE THAT YOU
7 WERE NOT ADJUDICATING RIGHTS AS TO PARCEL NUMBER 2. THE
8 COURT ONLY NEEDS JURISDICTION, WHETHER IT BE PERSONAL
9 JURISDICTION, QUASI IN REM OR IN REM JURISDICTION. THE
10 COURT ONLY REQUIRES JURISDICTION WHEN IT IS BEING ASKED
11 TO AND DOES ADJUDICATE RIGHTS AND LIABILITY AS TO
12 SOMETHING BEFORE THE COURT.

13 NOW IN A FORECLOSURE ACTION, IF I'M SEEKING TO
14 FORECLOSE ON A PROPERTY A, I NEED TO BRING PROPERTY A
15 BEFORE THE QUASI IN REM JURISDICTION OF THE COURT BY MY
16 PLEADING. IF I'M NOT ATTEMPTING TO FORECLOSE THE
17 PROPERTY A, I DON'T NEED TO BRING PROPERTY A BEFORE THE
18 COURT. THAT'S EXACTLY WHAT HAPPENED HERE. THE LENDER,
19 PINNACLE BANK, MADE A DETERMINATION, AS I NOTED AND IT'S
20 NOT UNIMPORTANT, THEY MADE A DETERMINATION TO FORECLOSE
21 ON THE FIRST PROPERTY THAT THEY HOLD AS COLLATERAL AND TO
22 DEFER THEIR RIGHTS AS TO THE SECOND PIECE OF PROPERTY IN
23 AN ATTEMPT TO ALLOW THE BORROWER HERE TO SELL HER HOME
24 AND RESOLVE HER ENTIRE DEBT. NOW THAT'S THE KIND OF
25 APPROACH AND CONDUCT AND ACTIVITY THAT JUSTICE TOAL HAS

1 ENCOURAGED LENDERS TO TAKE IN THIS STATE WITH HER ORDER
2 THAT I'M SURE THE COURT IS FAMILIAR WITH.

3 AS A PART OF OUR BRIEF WE SUBMITTED AN
4 AFFIDAVIT FROM JIM STEWART WITH PINNACLE BANK WHO
5 DESCRIBED THAT THIS WAS AN ACCOMMODATION MADE TO THE
6 BORROWER TO FORECLOSE ONLY AS TO THE VACANT LAND AND GIVE
7 HER A CHANCE TO SELL THE SECOND PROPERTY. SO THAT'S THE
8 REASON THAT THEY BOTH WEREN'T JOINED.

9 NOW IF THE BANK WERE ATTEMPTING TO FORECLOSE ON
10 PARCEL 2, THEN COUNSEL IS CORRECT. WE'D HAVE TO SQUARELY
11 BRING IT BEFORE THE COURT BUT WE WERE NOT ATTEMPTING TO
12 FORECLOSE ON PARCEL 2. YOUR HONOR WAS NOT ASKED TO MAKE
13 ANY FINDING TO ADJUDICATE ANY RIGHTS AS TO PARCEL NUMBER
14 2.

15 THE COURT: BUT YOU FILED ANOTHER ACTION
16 PERTAINING TO PARCEL 2?

17 MR. STIEGLITZ: CORRECT.

18 THE COURT: THAT HAS NOT BEEN BEFORE THE
19 COURT.

20 MR. STIEGLITZ: CORRECT. THAT IS THE ACTION
21 THAT COUNSEL REFERRED TO THAT'S CURRENTLY PENDING. IN
22 THE INITIAL ACTION, OF COURSE, THE BORROWER DEFAULTED.
23 COUNSEL HAS STATED IN FRONT OF JUDGE MCINTOSH THAT THEY
24 DELIBERATELY DEFAULTED AND WOULD JUST LET THAT ACTION GO
25 BY.

1 NOW IN THE SECOND ACTION AS TO PARCEL 2 THEY
2 HAVE APPEARED AND HAVE ASSERTED COUNTERCLAIMS AND THAT
3 KIND OF THING. NOW IN THAT ACTION I NOTE COUNSEL FILED A
4 MOTION TO DISMISS BEFORE JUDGE MCINTOSH ON VIRTUALLY
5 IDENTICAL GROUNDS, CONTENDING THAT PINNACLE BANK WAS
6 BARRED IN ACTION NUMBER 2 BECAUSE THEY HAVE ALREADY
7 LITIGATED PARCEL NUMBER 2.

8 THE COURT: WAS AN ORDER ISSUED BY JUDGE
9 MCINTOSH ON THAT?

10 MR. STIEGLITZ: HE DENIED THAT MOTION. WE WENT
11 BACK AND FORTH ON THE CONTENT OF AN ORDER AND WE HAVE
12 SUBMITTED AN AGREED UPON ORDER. I DON'T BELIEVE HE'S
13 ACTUALLY SIGNED OR ISSUED THAT ORDER YET.

14 MR. HAWKINS: WE DID AGREE. WE CAME TO
15 AGREEMENT ON THE ORDER AND IT'S BEEN SUBMITTED. I
16 HONESTLY DON'T KNOW IF HE HAS SIGNED IT OR NOT.

17 THE COURT: I JUST HAVE A COPY OF SOME
18 DOCUMENT HERE. ALL I'VE GOT IS THE FRONT PAGE APPARENTLY
19 OF A MOTION TO DISMISS BEFORE JUDGE MCINTOSH. ALL RIGHT,
20 GO AHEAD.

21 MR. STIEGLITZ: WELL, ANYWAY, THAT IS THE
22 STATUS OF IT. HE DID DENY THAT MOTION AND AN ORDER WILL
23 BE FORTHCOMING.

24 THE COURT: ALL RIGHT.

25 MR. STIEGLITZ: AN AGREED UPON ORDER WILL BE

1 FORTHCOMING. I THINK THE ESSENTIAL POINT HERE IS THAT
2 YOU ONLY NEED JURISDICTION AS TO PARCEL 2 ONLY IF YOU ARE
3 ADJUDICATING RIGHTS AND LIABILITIES AS TO PARCEL NUMBER 2
4 AND YOUR FOOTNOTE SAYS 180 DEGREES THE OPPOSITE, THAT YOU
5 ARE NOT ADJUDICATING RIGHTS. THERE IS NO LAW NOWHERE
6 THAT SAYS THAT THE COURT HAS TO HAVE JURISDICTION OVER
7 SOMETHING THAT THEY ARE NOT BEING ASKED TO DECIDE AND
8 OVER WHICH THEY ARE NOT DECIDING. SO I THINK THAT THAT'S
9 THE THRESHOLD ISSUE HERE.

10 NOW IF WE GET BEYOND THAT, IF WE GET BEYOND
11 THAT WHICH I DON'T THINK WE NEED TO, BUT IF WE DO GET
12 BEYOND THAT I THINK THERE ARE FOUR IMPORTANT POINTS.

13 POINT NUMBER ONE; PARCEL 2 WAS ATTACHED AS AN
14 EXHIBIT -- THE MORTGAGE WHICH RECITES PARCEL NUMBER 2 WAS
15 ATTACHED AS AN EXHIBIT AND UNDER RULE 10(C) AN EXHIBIT IS
16 INCORPORATED INTO A COMPLAINT FOR ALL PURPOSES.

17 NOW COUNSEL'S BRIEF CITES A COUPLE OF CASES
18 DATING BACK TO THE 1920'S, ONE OF THEM INVOLVING A
19 MECHANIC'S LIEN SITUATION WHERE THERE WERE PARTICULAR
20 SPECIFIC PLEADING REQUIREMENTS FOR A MECHANIC'S LIEN. AS
21 THE COURT KNOWS, BACK IN THE 20'S WE WERE IN A VERY
22 STRICT CODE PLEADING ENVIRONMENT AND WE'RE NOT IN THAT
23 ENVIRONMENT NOW AND THERE ARE A MULTITUDE OF CASES
24 RECOGNIZING THAT UNDER 10(C) WHEN YOU INCORPORATE
25 SOMETHING IT BECOMES A PART OF THE COMPLAINT FOR ALL

1 PURPOSES.

2 NUMBER TWO. HE IS ASKING YOU, HE IS INVOKING A
3 RULE, RULE 60(B)(4) WHICH HAS THE EFFECT OF VOIDING THE
4 JUDGMENT. IF YOU READ RULE 60(B)(4) IT SAYS VOID THE
5 JUDGMENT. IT IS NOT A TOOL OR A MECHANISM AND DOESN'T
6 GIVE THE COURT A MECHANISM TO VOID PART OF A JUDGMENT.
7 BUT THAT'S WHAT HE'S ASKING FOR HERE. HE'S NOT
8 CONTENDING THAT THE COURT LACKED JURISDICTION OVER PARCEL
9 NUMBER 1 AND YET HE'S ASKING YOU TO VOID THE ENTIRE
10 JUDGMENT WHICH WOULD MEAN THAT EVERYTHING THAT HAPPENED
11 DEPENDENT UPON AND FOLLOWING UPON YOUR ORDER WOULD HAVE
12 TO FAIL. WE'D HAVE TO UNDO THE DEFICIENCY JUDGMENT, WE'D
13 HAVE TO UNDO THE MASTER'S DEED TO PINNACLE BANK ON PARCEL
14 1. ALL OF THAT FALLS APART IF YOU VOID THE JUDGMENT.

15 NOW THE ARGUMENT IS THAT YOU CAN VOID PART OF
16 THAT JUDGMENT. THEY JUST WANT YOU TO VOID FOOTNOTE ONE
17 AND THAT'S NOT WHAT THE RULE SAYS. THE RULE IS AN ALL OR
18 NOTHING RULE. YOU VOID THE JUDGMENT OR YOU DON'T VOID
19 THE JUDGMENT. SO I THINK THEY ARE ASKING YOU TO DO
20 SOMETHING THAT EVEN IF -- THAT CAN'T BE DONE.

21 REALLY, REALLY, THE RELIEF HERE, THE WAY YOU
22 DEAL WITH A PORTION OF A JUDGMENT OR AN ORDER THAT YOU
23 THINK IS INCORRECT AND YET LEAVE THE REMAINDER OF THE
24 ORDER STANDING IS THROUGH A RULE 59(E) MOTION. THAT'S
25 ONE REASON WE HAVE 59(E). IF I TRY A CASE IN FRONT OF

1 YOUR HONOR AND AN ORDER IS FORTHCOMING AND IT'S GOT A
2 FOOTNOTE THAT I THINK IS JUST PLAIN WRONG THEN I MAKE A
3 RULE 59(E) MOTION TO DELETE OR AMEND THE FOOTNOTE. I
4 DON'T ASK YOU TO -- I DON'T CLAIM THE ENTIRE JUDGMENT IS
5 VOID. OF COURSE, HERE HAVING DEFAULTED, THEY COULDN'T
6 MAKE A RULE 59(E) MOTION BUT THAT'S THEIR CHOICE. BUT
7 THAT IS THE MECHANISM. IF YOU WANT TO MODERATE AND TWEAK
8 PART OF AN ORDER YOU MAKE A 59(E) MOTION, YOU DON'T ASK
9 TO VOID THE ENTIRE JUDGMENT WHICH IS WHAT WE HAVE HERE.

10 THANK YOU, YOUR HONOR.

11 THE COURT: THANK YOU, MR. STIEGLITZ.

12 MR. HAWKINS: IF I MAY IN REPLY, YOUR HONOR.

13 THE COURT: YES, SIR.

14 MR. HAWKINS: FIRST OF ALL I'D LIKE TO ADDRESS
15 THE SITUATION WHERE THERE ARE MULTIPLE PIECES OF
16 PROPERTY. IF THERE ARE MULTIPLE PIECES OF PROPERTY IN
17 ANDERSON COUNTY YOU FILE ONE ACTION. IT IS A KNOWN
18 EXCEPTION TO THE DEFENSE OF RES JUDICATA THAT YOU CAN'T
19 RAISE RES JUDICATA WHERE THOSE PARCELS ARE IN DIFFERENT
20 COUNTIES WHERE DIFFERENT IN REM JURISDICTION APPLIES.
21 THAT'S THE DIFFERENCE. IF YOU'VE GOT THEM ALL IN
22 ANDERSON COUNTY THEN YOU'VE GOT TO FORECLOSE THEM ALL AT
23 ONE TIME.

24 NOW, YOUR HONOR, MR. STIEGLITZ SAYS THAT YOUR
25 ORDER DID NOT MAKE ANY RULING. WELL, NUMBER ONE, IF

1 THAT'S THE CASE WHY IS IT THERE?

2 NUMBER TWO, IT SPECIFICALLY SAYS, "THE MORTGAGE
3 ALSO ENCUMBERS ADDITIONAL PROPERTY". THAT IS A FINDING,
4 YOUR HONOR. IF THE ---

5 THE COURT: I THINK THAT'S CORRECT.

6 MR. HAWKINS: THAT IT ENCUMBERS ADDITIONAL
7 PROPERTY?

8 THE COURT: ACCORDING TO THE MORTGAGE IT
9 COVERS LOTS 1 AND 2.

10 MR. HAWKINS: WELL, THE THING IS, YOUR HONOR,
11 THEY DIDN'T PLEAD THAT ---

12 THE COURT: I UNDERSTAND.

13 MR. HAWKINS: --- AND IT'S GOT TO BE SQUARELY
14 WITHIN THE PLEADINGS FOR THE JUDGE TO HAVE JURISDICTION.

15 THE COURT: YOU SET THAT FORTH IN YOUR FINE
16 MEMORANDUM.

17 MR. HAWKINS: NOW, YOU KNOW, THE PROBLEM, THE
18 PRACTICAL PROBLEM WITH IT, YOUR HONOR, IS THIS. IT'S
19 THAT MY CLIENTS WERE THE DEFENDANTS IN SUCH AN ACTION AS
20 THIS, HAS NO NOTICE WHATSOEVER THAT THE COURT IS MAKING
21 ANY RULINGS OR OBTAINING JURISDICTION TO ANY OTHER PIECE
22 OF PROPERTY OTHER THAN WHAT'S IN THE PLEADINGS.

23 THAT'S THE LAW, THAT'S WHAT THE CASE LAW
24 SUPPORTS, AND WHY WOULD MY CLIENT CARE BECAUSE THE COURT
25 DIDN'T TAKE JURISDICTION OVER PARCEL 2 OR ANY OTHER

1 PROPERTY. THERE WAS NO JURISDICTION, SHE DIDN'T CARE
2 ABOUT THE OTHER PIECE OF PROPERTY, THAT'S FINE.

3 OUR ARGUMENTS ARE NOT EQUITABLE, YOUR HONOR,
4 THEY'RE LEGAL. IT'S PURELY LEGAL THAT THE COURT DIDN'T
5 HAVE JURISDICTION AND COULDN'T MAKE ANY RULING AS TO ANY
6 ADDITIONAL PROPERTY. I THINK THAT WAS THE FINDING OF THE
7 COURT. IT WASN'T BEFORE THE COURT, YOUR HONOR.

8 THE COURT: ALL RIGHT. MR. HAWKINS, I DO
9 HAVE A COPY OF YOUR REPLY MEMORANDUM. I BELIEVE YOU HAD
10 ONE BUT THIS CAME IN APPARENTLY A SHORT TIME AGO AND I
11 ASSUME THE OTHER COUNSEL GOT ONE ALSO.

12 MS. GRIGG: WE DID, YOUR HONOR.

13 THE COURT: I MUST COMMEND BOTH ATTORNEYS
14 WHO ARE BOTH VERY ABLE IN SUBMITTING THE EXTENSIVE
15 MEMORANDUMS. I GOT THESE YESTERDAY AND I'VE HAD A CHANCE
16 TO GO THROUGH THEM. NOW, I HAVE ONLY JUST RECEIVED YOUR
17 REPLY BUT I HAVE HAD A CHANCE TO LOOK AT IT THIS MORNING
18 AND AGAIN, IT'S VERY WELL SET FORTH.

19 NOW THERE WAS AN AFFIDAVIT AND THAT HAS BEEN
20 MENTIONED THAT WAS FILED BY A MR. JAMES STEWART, I
21 BELIEVE IS HIS NAME, AND HE SET FORTH THE BASIC REASON
22 FOR NOT FORECLOSING APPARENTLY ON PARCEL 2 AT THE TIME OF
23 THE FORECLOSURE ON PARCEL 1 WAS THAT HE GAVE THE
24 DEFENDANT, MRS. WRIGHT, AN OPPORTUNITY TO SELL PARCEL 2
25 OR OTHERWISE RESOLVE THE PAST DUE DEBT. APPARENTLY SHE

1 WAS UNABLE TO DO SO AND THEREFORE, THIS NOVEMBER 7, 2011
2 -- THAT PERTAINS TO PARCEL 2, CORRECT, AND THAT HAS NOT
3 COME BEFORE THE COURT.

4 WHETHER YOU CALL THE COURT'S ORDER AS CARVING
5 OUT A FINDING OR SORT OF AN ADDENDUM OR AN EXPLANATION OF
6 WHY PARCEL 2 WAS NOT INCLUDED, I DON'T THINK AS THE
7 PLEADINGS WERE DRAWN IN 2011-2157 -- THAT CAME ABOUT AND
8 AS I RECALL THERE WAS SOME MENTION AT THE HEARING THAT
9 THEY WERE NOT PROCEEDING WITH FORECLOSING ON NUMBER 2. I
10 DON'T THINK THAT'S ANY FINDING BY THE COURT THAT PARCEL 2
11 COULD OR COULD NOT BE FORECLOSED ON. IT MERELY EXPLAINED
12 THAT PARCEL 2 WAS COVERED BY THE MORTGAGE BUT THEY ONLY
13 CHOSE TO SELL PARCEL 1. NOW MR. HAWKINS TAKES EXCEPTION
14 TO THAT.

15 I DON'T THINK IT'S UNCOMMON FOR A MORTGAGE
16 COMPANY, IF THEY HAVE MULTIPLE PROPERTIES, TO CHOOSE TO
17 SELL ONE PROPERTY OUT OF SEVERAL AND THEN LATER IF THEY
18 WANT TO SELL PORTIONS OR THE OTHER PIECES OF PROPERTY
19 THEY CAN DO SO.

20 THE ORDER ISSUED AS TO PARCEL 1 MAKES NO
21 FINDINGS AS TO WHETHER OR NOT PARCEL 2 IS ENTITLED TO BE
22 FORECLOSED OR NOT. THAT CASE IS PENDING.

23 MR. HAWKINS HAS FILED RESPONSIVE PLEADINGS IN
24 THAT CASE AND AT THAT TIME HE'LL BE ABLE TO PRESENT A
25 FULL AND COMPLETE DEFENSE AS HE CHOOSES.

1 BUT AT THIS TIME, MR. HAWKINS, I'M GOING TO
2 RESPECTFULLY DENY YOUR MOTION AS TO THE PRIOR COURT ORDER
3 WHICH BROUGHT YOUR MOTION TO THE COURT. I DON'T THINK
4 THERE'S ANY QUESTION OF JURISDICTION.

5 MR. HAWKINS: YOUR HONOR, IF I MAY, JUST FOR
6 THE RECORD ---

7 THE COURT: OKAY.

8 MR. HAWKINS: I APOLOGIZE TO THE COURT.

9 THE COURT: THAT'S FINE.

10 MR. HAWKINS: WE'RE NOT ASSERTING THAT THEY
11 ARE NOT -- THAT THE FOOTNOTE ONE IN YOUR ORDER STATES
12 THAT THEY CAN'T FORECLOSE ON NUMBER 2.

13 THE COURT: I DON'T SAY THAT THEY CAN.

14 MR. HAWKINS: I UNDERSTAND BUT ---

15 THE COURT: I JUST SAY THAT THEY ARE NOT
16 PROCEEDING ON PARCEL 2. THEY HAVE A RIGHT, AS I SAID, TO
17 NOW PROCEED AGAINST PARCEL 2 IN ANOTHER ACTION. IT'S NOT
18 INCORPORATED INTO THIS PARCEL 1 SUIT. THAT'S THE WAY I
19 LOOK AT IT, MR. HAWKINS. GO AHEAD.

20 MR. HAWKINS: JUST SO I'M CLEAR WITH THE
21 COURT, IS IT MY UNDERSTANDING THAT YOUR RULING TODAY IS
22 THAT THIS PARTICULAR FOOTNOTE WAS NOT A FINDING OF THE
23 COURT, IS THAT CORRECT, YOUR HONOR?

24 THE COURT: THERE'S NO QUESTION, IF YOU WANT
25 TO CALL IT A FINDING, THAT PARCEL 2 WAS COVERED BY THIS

1 MORTGAGE. THAT'S ALL. AND THAT ANY PROCEEDING AGAINST
2 PARCEL 2 WERE RESERVED FOR A FUTURE TIME, IF NECESSARY.

3 NOW WHETHER YOU CALL IT A FINDING OR ADVISORY
4 FOOTNOTE OR WHATEVER, I DON'T THINK THE LITIGATION IN
5 PARCEL 1 AFFECTS AT ALL POTENTIAL LITIGATION AS TO PARCEL
6 2 AND I'M SURE YOU'LL PRESENT A VERY FINE DEFENSE IF
7 PARCEL 2'S FORECLOSURE COMES BEFORE THE COURT AND YOU'LL
8 BE ABLE TO DO SO ---

9 MR. HAWKINS: I UNDERSTAND.

10 THE COURT: --- BUT THE PRIOR ORDER WILL
11 STAND.

12 MR. HAWKINS: I UNDERSTAND, YOUR HONOR.

13 THE COURT: ANYTHING ELSE?

14 MR. STIEGLITZ: YOUR HONOR, WOULD YOU LIKE ME
15 TO ---

16 THE COURT: WE'D BETTER DO SOMETHING IN
17 WRITING. SEND IT MR. HAWKINS PRIOR TO SENDING IT TO THE
18 COURT, LET HIM REVIEW IT AND, OF COURSE, WE'VE GOT A
19 RECORD OF THE ARGUMENT ALSO BUT YOU'D BETTER DO A
20 PROPOSED ORDER ALONG THE LINES THAT HAVE BEEN ARGUED IN
21 MY RULING.

22 MR. STIEGLITZ: WE'LL DO SO, YOUR HONOR.

23 THE COURT: THANK YOU, MR. HAWKINS, MR.
24 STIEGLITZ AND MS. GRIGG.

25 MR. HAWKINS: THANK YOU.

1 MR. STIEGLITZ: THANK YOU, YOUR HONOR.

2 MS. GRIGG: THANK YOU, YOUR HONOR.

3 THE COURT: THAT WILL BE ALL.

4

5 END OF HEARING.

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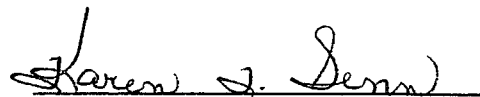
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25

1 STATE OF SOUTH CAROLINA)
2 COUNTY OF ANDERSON)

3
4 C E R T I F I C A T E

5
6 I, KAREN T. SENN, CERTIFIED COURT REPORTER FOR
7 THE STATE OF SOUTH CAROLINA, DO HEREBY CERTIFY THAT THE
8 FOREGOING PAGES CONSTITUTE A TRUE, ACCURATE AND COMPLETE
9 TRANSCRIPT OF THE HEARING HELD BEFORE THE HONORABLE ELLIS
10 B. DREW, JR., MASTER IN EQUITY FOR THE TENTH JUDICIAL
11 CIRCUIT, ON OCTOBER 4, 2012, IN DOCKET NUMBER 2011-CP-04-
12 2157 ENTITLED PINNACLE BANK OF SC VERSUS MARSHA P. WRIGHT
13 AND RICHARD A. WRIGHT.

14 
15

16
17 ANDERSON, SC

18 NOVEMBER 8, 2012
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MOTION FEE PAID

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Pinnacle Bank of SC Plaintiff, vs. Marsha P. Wright and Richard A. Wright Defendants,	IN THE COURT OF COMMON PLEAS TENTH JUDICIAL CIRCUIT Civil Action No. 2011-CP-04-02157 MOTION FOR RELIEF FROM JUDGMENT /ORDER A TRUE COPY AUG 21 2012 Clerk of Court
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TO: Suzanne Taylor Graham Grigg, ATTORNEY FOR THE PLAINTIFF:

YOU WILL PLEASE TAKE NOTICE that the undersigned, as attorney for the Defendants, **Marsha P. Wright and Richard A. Wright**, will appear on the tenth day after service hereof, or as soon after counsel may be heard, before the presiding Judge, and move for Relief from that certain Master in Equity's Order and Judgment of Foreclosure and Sale in the above-captioned matter:

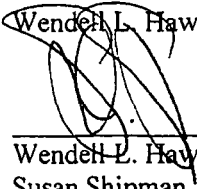
YOU WILL FURTHER TAKE NOTICE that the Defendant, hereby moves upon this Court to grant Defendants' Motion for Relief from that certain Master in Equity's Order and Judgment of Foreclosure and Sale in the above captioned matter signed by the Honorable Ellis B. Drew, Master in Equity for Anderson County on September 13, 2011 (hereinafter "the Master's Order") (**Exhibit A**) in the following particulars and for the following reasons to wit:

1. The Plaintiff's pleadings in this matter did not contain the property description of any "additional property" or any allegations regarding any "additional

property” as referred to in footnote 1 of the Master’s Order and therefore the Master in Equity did not have jurisdiction to make any rulings on any such additional property.

2. Since the Master in Equity did not have *in rem* jurisdiction over any “additional property,” footnote 1 in the Master’s Order is void and the Defendants are entitled to relief from that portion of the Master’s Order which refers to “additional property” pursuant to SCRCF Rule 60(b)(4).

Wendell L. Hawkins, P.A.



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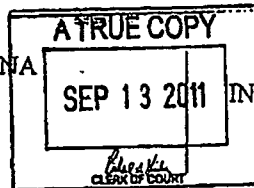
Attorneys for Defendants

August 21, 2012
Greer, South Carolina

EXHIBIT A



STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON



IN THE COURT OF COMMON PLEAS

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

Case No. 2011-CP-040-2157

**MASTER-IN-EQUITY'S ORDER AND
JUDGMENT OF FORECLOSURE
AND SALE**

Pursuant to Rule 53 SCRCP, the above-entitled matter was referred to the Anderson County Master-In-Equity to make appropriate findings of fact and conclusions of law with authority to enter a final judgment in this cause. Any appeal from this Order is to the South Carolina Court of Appeals.

Pursuant to the Order of Reference granted in the above-entitled case, a hearing was held before the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County on the 13th day of September, 2011.

FINDINGS OF FACT

1. The Summons, Complaint and Lis Pendens were filed by Pinnacle Bank of SC ("Pinnacle Bank" or the "Plaintiff") in the Office of the Clerk of Court for Anderson County on July 12, 2011.

2. Service was made upon Defendant Marsha P. Wright ("Defendant Marsha Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.

3. Service was made upon Defendant Richard A. Wright ("Defendant

Richard Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.

4. The Affidavit of Default and Non-Military Service as to Marsha P. Wright and Richard A. Wright was filed with the Anderson County Clerk of Court's Office on August 31, 2011.

5. On August 31, 2011, an Order of Reference was filed with the Office of the Clerk of Court for Anderson County, referring this matter to the Master-In-Equity for Anderson County.

6. A Notice of Hearing was filed with the Office of the Clerk of Court for Anderson County, evidencing notice to the Defendants of the hearing scheduled for September 13, 2011.

7. On or about January 31, 2007, Defendant Marsha Wright, for consideration, made, executed and delivered a certain Promissory Note (the "Note"), payable to the order of Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010.

8. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants Marsha Wright and Richard Wright, on or about January 31, 2007, made, executed and delivered to Plaintiff a Mortgage ("Mortgage"), whereby Defendants Marsha Wright and Richard Wright mortgaged certain real property located in Anderson County (the "Mortgaged Premises")

described as follows¹:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

9. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36.

10. The obligations under the terms and conditions of the Note are in default for, among other reasons, the failure of Defendant Marsha Wright to repay the indebtedness in accordance with the terms thereof.

11. In the Note, it is provided that in the event of default in any of the terms thereof, the whole amount of the debt secured by the Mortgage would become immediately due and payable. By reason of the failure of Defendant Marsha Wright to

¹ The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later date.

comply with the terms and conditions of the Note and the Mortgage, the Plaintiff is entitled to foreclosure of the Mortgage.

12. The Note provides that, if the loan evidenced thereby is not paid when due, the maker will pay all reasonable costs and expenses of suit, including but not limited to reasonable attorneys' fees.

13. The Plaintiff has sent written notice to the Defendants of the default as required by and conforming to applicable law.

14. The Mortgage constitutes a valid first mortgage lien upon the Mortgaged Premises.

15. The amount due and owing on the Note, with interest at the rate provided in the Note, and other costs and expenses of collection, including reasonable attorneys' fees and costs, is as follows:

Principal as of September 6, 2011	\$462,669.44
Interest as of September 6, 2011	\$ 12,949.34
Per Diem: \$57.04144; Interest Rate: 4.50%	
Attorneys' Fees and Costs (allowed by the Court)	\$ 6,200.00
TOTAL DEBT ON THE NOTE AS OF SEPTEMBER 6, 2011	\$481,818.78

16. The Plaintiff is seeking foreclosure of the Mortgage and has demanded the right to a deficiency judgment against Defendant Marsha Wright, pursuant to S.C. Code Ann. Section 29-3-660 (1976).

17. Plaintiff is informed and believes that Defendant Richard Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the

Mortgage.

CONCLUSIONS OF LAW

I, therefore, conclude as follows:

1. The Plaintiff should have judgment of foreclosure of its Mortgage and the Mortgaged Premises should be ordered sold at public auction after due advertisement. The sale shall be made subject to taxes and assessments that are due on the day of sale. After making the required deposit, the successful bidder at the sale should be required to pay interest at the judgment rate until the date of compliance.

2. Plaintiff is entitled to Judgment against Defendant Marsha Wright for the total amount of the indebtedness due and owing to the Plaintiff, as set forth hereinabove.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The loan, under which the indebtedness arises, is not subject to modification under the HMP.

2. The Mortgaged Premises is commercial property, it is not an owner-occupied dwelling, and, therefore, is not subject to Administrative Order No. 2011-05-02-01 issued by The Supreme Court of South Carolina on May 2, 2011.

3. There is due to Plaintiff on the Note and Mortgage set forth in the Complaint, the sum of Four Hundred Eighty One Thousand Eight Hundred Eighteen and 78/100 Dollars (\$481,818.78), representing the "Total Debt" due to Plaintiff on the Note, together with interest on the principal balance from September 7, 2011, to the date of judgment.

4. The Total Debt amount due in the preceding paragraph (supra, and later accrued interest on the principal to the date of judgment) shall constitute the total judgment debt due to the Plaintiff and shall bear interest after the date of judgment at the

rate of 4.50% per annum.

5. Defendant Marsha Wright shall, on or before the date of sale of the property hereinafter described, pay to the Plaintiff's attorney the amount of Plaintiff's debt as aforesaid, together with the costs and expenses of this action.

6. On default of payment at or before the time herein indicated, the Mortgaged Premises described in the Complaint, as hereinafter set forth, shall be sold by the Master-In-Equity for Anderson County or his agent at public auction, at Anderson, South Carolina, on some convenient sales day hereafter (and should the regular day of judicial sales fall on a legal holiday, then and in such event, the sales day shall be on the next Tuesday succeeding such holiday), on the following terms, that is to say:

(a) FOR CASH: The Master-In-Equity or his agent will require a deposit of 5% on the amount bid (in cash or equivalent) same to be applied on the purchase price only upon compliance with the bid, but in case of non-compliance within twenty (20) days same to be forfeited and applied to the costs and any surplus pending further order of the Court.

(b) Interest on the balance of the bid shall be paid through the day of compliance at the judgment rate.

(c) The sale shall be subject to the taxes and assessments due on the day of such sale, and existing easements and restrictions of record.

(d) Purchaser shall pay for the preparation of the deed and costs of recording the deed.

7. If Plaintiff is the successful bidder at said sale, for a sum not exceeding the amount of costs, expenses, and the indebtedness of Plaintiff in full, Plaintiff may pay to

the Master-In-Equity for Anderson County only the amount of the costs and expenses, crediting the balance of the bid on Plaintiff's indebtedness.

8. Personal or deficiency judgment having not been waived, the sale will remain open for thirty (30) days pursuant to S.C. Code Ann. Section 15-39-720, (1976).

9. The Master-In-Equity for Anderson County, will by advertisement according to law, give notice of the time and place of sale, and the terms thereof and will execute to the purchaser, or purchasers, a deed to the realty sold. Plaintiff, or any other party to this action, may become a Purchaser at such sale, and if, upon such sale being made, the purchaser, or purchasers, should fail to comply with the terms thereof within twenty (20) days after date of sale, then the Master-In-Equity for Anderson County may advertise the said property for sale on the next, or some other subsequent sales day, at the risk of the former highest bidder, and so from time to time thereafter until a full compliance shall be secured.

10. The Master-In-Equity for Anderson County shall apply the proceeds of the sale as follows:

First: To payment of the costs and disbursements of this action;

Next: To the payment to Plaintiff or its attorney, of the amount of Plaintiff's debt and interest or so much thereof as the purchase money will pay on the same.

Next: Any surplus will be held pending further Order of this Court.

11. It is further ORDERED, ADJUDGED AND DECREED that in the event the successful bidder is other than the Defendant and if a Writ of Assistance is presented, the Sheriff of Anderson County is ordered and directed to eject and remove from the premises the occupant(s) of the property sold, together with all personal property located

thereon, and put the successful bidder or his assigns in such peaceable possession. All valid tenant rights shall be protected pursuant to the Protecting Tenants at Foreclosure Act of 2009.

12. And it is further ORDERED, ADJUDGED AND DECREED that the Defendant and all persons whosoever claiming under the Defendant be forever barred and foreclosed of all right, title, interest, and equity of redemption in the said Mortgaged Premises so sold, or any part thereof.

13. IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. § 30-9-31 (Supp. 1987), the deed of conveyance made pursuant to said sale shall be indexed in the grantor index by the Registrar of Deeds in the name of the owner of record of the Mortgaged Premises immediately prior to execution of the deed, as well as in the name of the Master-In-Equity for Anderson County, who executes such deed as grantor.

14. The Master-In-Equity will retain jurisdiction to do all the necessary acts incidental to this foreclosure including, but not limited to, the issuance of a Writ of Assistance and disposing of any surplus funds pursuant to Rule 71 (c), SCRPC.

15. The Mortgaged Premises ordered to be sold is described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John

D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

16. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if the Plaintiff or the Plaintiff's representative does not appear at the scheduled sale of the above-described property, then the sale of the property will be null, void and of no force and effect. In such event, the sales will be rescheduled for the next available sales day.

AND IT IS SO ORDERED.

September 13 2011

/s/ Ellis B. Drew, Jr.
Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

IN THE CIRCUIT COURT

Pinnacle Bank of SC,
Plaintiff,

Case No. 2011-CP-04-2157

vs.

Marsha P. Wright and Richard A. Wright,
Defendants.

**MEMORANDUM IN OPPOSITION TO
DEFENDANTS' MOTION FOR RELIEF
FROM JUDGMENT / ORDER**

The Plaintiff Pinnacle Bank of SC ("Pinnacle Bank") hereby files this Memorandum in Opposition to Defendants Marsha P. Wright and Richard A. Wright's ("Defendants") Motion For Relief From Judgment / Order.

BACKGROUND

The Defendants intentionally defaulted in this foreclosure action, which was commenced in July 2011. This Court entered a Final Order and Judgment of Foreclosure and Sale in September 2011, and a Deficiency Judgment, Partial Release of Mortgage, and Master's Deed followed in the normal course. The Defendants took no action at the time. Now, however, as a tactical maneuver in a second foreclosure action initiated by the Plaintiff, the Defendants seek to invalidate this Court's September 2011 final Order and unravel the outcome of the action this Court decided more than a year ago. There is no legal foundation for upsetting or voiding this Court's September 2011 Order, however (which the Defendants deliberately chose not to oppose), and the Defendants failed to invoke any of the proper procedural remedies available to them at the time. Their Motion for Relief from Judgment / Order should be denied.

This case arises out of a loan transaction between Pinnacle Bank and the Defendants,

initially entered into on January 31, 2007. Pinnacle Bank loaned Defendant Marsha Wright the principal sum of \$468,912.00, secured by two separate parcels of property in Anderson County, South Carolina. Ms. Wright executed a Note, payable to Pinnacle Bank, in the amount of the loan (plus interest). Both Ms. Wright and her husband, Richard A. Wright, owned the two properties that secured the Note, and therefore executed a Mortgage in favor of Pinnacle Bank on the two parcels. The Mortgage contained an exhibit which specifically identified the two separate parcels (Parcels 1 and 2) as the mortgaged properties. The Mortgage is attached as **Exhibit A** hereto.

The Parcel 1 Foreclosure Action: Ms. Wright failed to make payment on the Note, despite four loan extensions. On July 12, 2011, Pinnacle Bank commenced a foreclosure action against the Wrights, in the present action. The Verified Complaint in this action made specific reference to the Mortgage, and attached and incorporated the Mortgage, which itself set forth the two parcels which were subject to the mortgage. (The Verified Complaint in C.A. No. 2011-CP-04-02157 is attached hereto as **Exhibit B**.) This action was referred to the Master-in Equity for Anderson County on August 31, 2011. (The Order of Reference is attached hereto as **Exhibit C**.) The Wrights intentionally made no appearance and asserted no defenses in this action, and defaulted. (See Transcript of Hearing, July 30, 2012, attached as **Exhibit D**, p. 4, line 11.)

By Order dated September 13, 2011, attached hereto as **Exhibit E**, the Master-In-Equity for Anderson County issued his MASTER-IN-EQUITY'S ORDER AND JUDGMENT OF FORECLOSURE AND SALE. This Order found that Pinnacle Bank had a valid mortgage lien, described the property that comprised Parcel 1, found that Ms. Wright was in default under the Note, and ordered a judgment of foreclosure and sale with respect to just Parcel 1.¹ The

¹ For ease of reference, Pinnacle Bank will refer to Parcel 1 as the parcel that is the subject of the September 13, 2011 Order, and Parcel 2 as the parcel that was reserved in that Order and is the subject of the second action. These

Master's Order (**Exhibit E**) specifically excluded from its ruling the additional secured parcel (Parcel 2), and specifically reserved Pinnacle Bank's mortgage interest in, and right to pursue the additional secured parcel at a later date. The Master's specific language appears at footnote 1 on Page 3 of his Order, as follows: "*The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later date.*" (See **Exhibit E**, fn.1.)

The Master's Order was served upon the Wrights on September 22, 2011. (See Certificate of Service attached as **Exhibit F**.) The Wrights did not seek a rehearing, make any motion, file an appeal, or take any action whatsoever with respect to the Master's Order – until now.

Parcel 1 was ultimately acquired by Pinnacle Bank and a Partial Release of its mortgage lien (covering Parcel 1) was recorded on February 13, 2012. (Copy attached as **Exhibit G** hereto.) An Order of Deficiency Judgment was entered in February, 2012, establishing Ms. Wright's indebtedness to Pinnacle Bank in the amount of \$411,000.00 as of November 2, 2011, with interest accruing at an annual rate of 4.5% until satisfied. (See **Exhibit H**.)

The Parcel 2 Foreclosure Action: Pinnacle Bank had agreed to restrict the first foreclosure action to Parcel 1 at the request of the Wrights, who hoped to be able to sell Parcel 2 and resolve their indebtedness. (See **Exhibit I**, Affidavit of Jim Stewart.) This did not happen, though, and Pinnacle Bank was ultimately forced to initiate the instant action to foreclose on Parcel 2, as contemplated by the Master's Order in the Parcel 1 foreclosure action. Accordingly, Pinnacle Bank filed the subsequent action on November 7, 2011, seeking foreclosure as to Parcel

designations are consistent with the descriptions included on the Mortgage executed by the Defendants, attached as Exhibit A to this brief.

2. (A copy of the Verified Complaint in the instant action is attached as **Exhibit J**.)

This time, the Wrights obtained counsel and appeared in the action. Five years after the original Note and Mortgage were entered into, they have now asserted various Counterclaims in the Parcel 2 action, attacking the validity of the original Note and Mortgage – which, of course, the Master determined to be valid in his September 13, 2011 Order (**Exhibit E**). Pinnacle Bank has filed a comprehensive set of Motions which, first, seek to refer the claims and counterclaims in the Parcel 2 action to the Master-in-Equity and, in the alternative, to dispose of the counterclaims. Those Motions have not yet been set for hearing.

Then, on March 26, 2012, the Wrights filed a Motion to Dismiss the Parcel 2 action, asserting for the first time that the Master's Order (**Exhibit E**) in the Parcel 1 action was ineffective to reserve Pinnacle Bank's rights against Parcel 2, and seeking to dismiss the Parcel 2 action based upon *res judicata*. The Circuit Court heard the Wrights' Motion on July 30, 2012, and denied it, with leave to refile after discovery.

Now, the Wrights seek to take a second bite at this same apple, by coming to a different Court. On August 21, 2012 (after the Circuit Court had denied their Motion to Dismiss the Parcel 2 foreclosure action), the Wrights filed the Motion which is before the Court at this time – a Motion For Relief From Judgment / Order in the Parcel 1 action. In this Motion, the Wrights contend that the Master did not have jurisdiction to make any rulings on Parcel 2, and that the Wrights are entitled to relief from that portion of the Master's Order in the Parcel 1 action which refers to "additional property." They purport to bring this Motion under SCRCP 60(b)(4) – but in reality are simply trying to interest a different Court in their contention that the Master made a mistake by reserving, in his Order in the Parcel 1 action, Pinnacle Bank's rights to proceed against Parcel 2. This Motion is defective under the law, however, and should be denied.

ARGUMENTS

A. In Rem Jurisdiction Over Parcel 2 Was Not Required In The Parcel 1 Action, As This Court Made No Findings As To Parcel 2 That Required In Rem Jurisdiction.

The Defendants maintain that this Court lacked *in rem* jurisdiction in the Parcel 1 action to decide any issues associated with Parcel 2. However, this Court made no findings as to Parcel 2. It is well settled that foreclosure proceedings are actions *in personam* as well as *in rem*. *Bartles v. Livingston*, 282 S.C. 448, 454, 319 S.E.2d 707, 710 (Ct. App 1984). *In rem* actions are those actions that seek to subject a defendant's interest in specific property to claims of the plaintiff or otherwise affect the status, ownership or liability of specific property as between the parties. *Campbell v. Jordan*, 382 S.C. 445, 455, 675 S.E.2d 801, 806 (Ct. App. 2009)(citing 59A Am.Jur2d *Partition* §100 (2008)). This is not what happened in the Parcel 1 action. Pinnacle Bank's foreclosure action as to Parcel 1 did not subject Parcel 2 to any claims. In fact, the Master's Order in the Parcel 1 action explicitly set aside for possible future determination any questions as to Parcel 2. Pinnacle Bank did not attempt to divest the Defendants of their ownership interest in Parcel 2. Likewise, this Court made no findings as to the status, ownership, or liability of these Defendants to Pinnacle Bank with regard to Parcel 2. The Court's Order only addressed the Defendants' status, ownership and liability as to Parcel 1. Therefore, there was no requirement for this Court to have *in rem* jurisdiction over Parcel 2, as it did not decide any issues with regard to this property, or even purport to decide such issues. The Master's Order decided no issue for which *in rem* jurisdiction over Parcel 2 was necessary.

1) Even If In Rem Jurisdiction Over Parcel 2 Was Required, Parcel 2 Was Properly Before The Court: The Defendants assert that because Pinnacle Bank did not reference Parcel 2 in its Complaint, the Court lacked *in rem* jurisdiction. While, as noted above, *in rem*

jurisdiction over Parcel 2 was not necessary, since the Court made no findings with respect to Parcel 2, the Defendant's argument is incorrect. Pinnacle Bank incorporated Parcel 2 into its Complaint by reference to the legal description attached to the Mortgage (*See*, ¶13 of the Plaintiff's Complaint). SCRCR Rule 10(c) provides that "a copy of any plat, photograph, diagram, document, or other paper which is an exhibit to a pleading is a part thereof for all purposes if a copy is attached to such a pleading." (*See also, HHHunt Corp. v. Town of Lexington*, 389 S.C. 623, 630, 699 S.E.2d 699, 702 (Ct. App. 2010)). Having incorporated Parcel 2 into the Complaint by reference, this Court acquired *in rem* jurisdiction over the property – insofar as it was even necessary for the Court to have *in rem* jurisdiction over Parcel 2 in the Parcel 1 action.

B. The Defendants' Motion Is Not A Rule 60(b)(4) Motion, But Is A Rule 59(e) Motion In Disguise, And Is Time-Barred.

If the Defendants objected to the Master's Order reserving future action against Parcel 2, they could and should have filed a Rule 59(e) Motion to Alter or Amend a Judgment. They did not do so, however – and because Rule 59(e) sets a ten-day deadline for filing a motion, the Defendants are left with trying to shoe-horn their objection into a Rule 60 motion. This effort must fail, though, because their instant motion seeks to unravel just one portion of the Master's Order, not upset it entirely. And Rule 59(e) is the mechanism for amending portions of orders; Rule 60 is a mechanism for upsetting orders in their entirety.

This is clear from the wording of the two rules. Rule 59(e) speaks of making changes to orders – not making them vanish, vacating, or voiding them. Rule 60, though, speaks in terms of voiding relief from entire orders; and especially Rule 60(b)(4), which speaks to voiding judgments. Voiding a judgment means it goes away. That is not what the Defendants are seeking

here, however – they are not claiming that the Master’s Order should vanish. Indeed, they could not seek to void the Master’s Order, because they would necessarily have to also seek to void the Order for deficiency Judgment and the Partial Release of the Mortgage. Instead, they only take issue with one small portion of the Master’s Order (*i.e.*, Footnote 1). The remedy here would have been a Rule 59(e) motion to alter or amend Footnote 1, leaving intact the rest of the Order (and subsequent Orders dependent upon the Master’s Order), with which the Defendants raise no objection. Rule 60 makes no provision for voiding part of a judgment or order – thus, Rule 60 is not available to the Defendants, who seek only to amend Footnote 1 of the Master’s Order. Their remedy was a Rule 59(e) motion, the time for which has long expired.

C. The Defendants Cannot Meet The “Upon Such Terms As Are Just” Requirement Of Rule 60.

It would be unjust to afford Defendants protection under Rule 60, given their past actions. “He who seeks equity must do equity.” *Regions Bank v. Wingard Properties, Inc.*, 394 S.C. 241, 259, 715 S.E.2d 348, 357 (Ct. App. 2011). In order for justice to be done between parties, a party is required to do equity when asking the Court to invoke the aid of equity. *Regions*, 715 S.E. 2d at 358. In the present case, the Defendants deliberately chose not file an Answer, did not appear at the foreclosure hearing despite notice, and failed to appeal the Order of this Court. In addition, the Defendants asked Pinnacle Bank to carve out Parcel 2 from this foreclosure action so they might sell the property. Therefore, Defendants cannot avail themselves of the protection under Rule 60 based upon their past actions.

D. The Defendants’ Motion Does Not Meet the Requirements Of Rule 60(b)(4).

SCRCP 60(b)(4) provides that the Court may relieve a party from a final judgment or order if “the judgment is void.” The definition of void includes judgments from

Courts which failed to provide proper due process, or judgments from courts which lacked subject matter or personal jurisdiction. *Linda MC Company, Inc. v. Shore*, 390 S.C. 543, 552, 703 S.E.2d 499, 503 (2010). The Wrights contend that the reference in the Master's Order to Parcel 2 is void because the Master lacked jurisdiction over that property. Defendants have not asserted that this Court lacked jurisdiction with regards to the foreclosure of Parcel 1. Instead, Defendants attempt to attack the Order based on jurisdiction as to Parcel 2 which is merely referenced in a footnote. As stated above, this Court made no findings as to the status, ownership or liability of these Defendants to Plaintiff with regard to Parcel 2. The Court is not required to assert jurisdiction over an issue which it does not decide. Plaintiff's foreclosure action did not subject Parcel 2 to any of Plaintiff's claims. Rather, Plaintiff chose, based upon a request from Defendants, to carve out Parcel 2 from the foreclosure action.

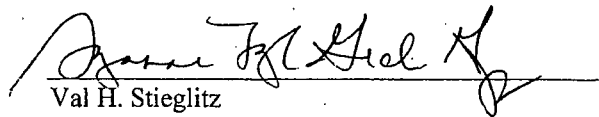
E. The Defendants' Motion Was Not Made Within A Reasonable Time, And Is Therefore Barred.

SCRCP 60 provides that a Motion "shall be made within a reasonable time ..." (except for three circumstances not relevant here.) Rule 60 should not be considered a substitute for appeal from a final judgment, particularly when it is clear that the party seeking relief could have litigated at trial and on appeal the claims he now makes by motion. *The Smith Companies of Greenville, Inc. v. Hayes*, 311 S.C. 358, 359, 428 S.E.2d 900, 902 (Ct. App. 1993). The Defendants have not taken action within a reasonable time, much less protected their interests at trial or on appeal when they had the opportunity to do so in the Parcel 1 action. They were served with the Master's Order on September 22, 2011. They took no action whatsoever at the time to contest the reservation of further action as to Parcel 2. They took no action as Parcel 1 went to judicial sale; they took no action as a deficiency judgment was entered against them; they took

no action even when the instant action was filed to foreclose on Parcel 2. Only now, months after the Master's Order was entered, months after a deficiency judgment was entered against them, months after the judicial sale of Parcel 1 was completed, months after the Parcel 2 foreclosure action was filed, and weeks after their Motion to Dismiss the Parcel 2 foreclosure action was denied, have they for the first time raised a Rule 60 issue. Rule 60 is simply not available to parties who deliberately sit on their hands and watch opportunities to assert their interests pass them by.

CONCLUSION

For the reasons set forth above, the Defendants' Motion For Relief From Judgment / Order should be denied.



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Attorneys for Plaintiff
Pinnacle Bank of SC

October 2, 2012
Columbia, South Carolina

EXHIBIT “A”

(Mortgage)

1137

This document was prepared by PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29608

State of South Carolina

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MORTGAGE
(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 01-31-2007..... and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: MARSHA P. WRIGHT and Richard A. Wright
2003 OLD MILL ROAD
EASLEY, SC 29642

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: PINNACLE BANK OF SC
ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA
P O BOX 6508
GREENVILLE, SC 29608

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
FIRST REAL ESTATE MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT OLD MILL ROAD, 7 ACRES, TAX # 1880011004, EASLEY, SC 29642;
SECOND MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT 2003 OLD MILL ROAD, EASLEY, SC 29642.

The property is located in ANDERSON at 2003 OLD MILL ROAD
(County)
..... EASLEY South Carolina 29642
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 468,912.00..... This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument. Interest under the Note will be deferred, accrued or capitalized; however, Mortgagee shall not be required to defer, accrue or capitalize any interest except as provided in the Note.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
MARSHA P. WRIGHT
\$468,912.00
PRIME + .25%
MATURITY 4/15/2008

EXHIBIT**A**

B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.

D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
 - A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.

10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Mortgage. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

MAP (page 2) *MAP*

13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment when due. A good faith belief by Lender that the prospect of any payment, performance, or realization on the Property is significantly impaired shall also constitute an event of default.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, reasonable attorneys' fees of not more than 15% of the unpaid debt when it is referred for collection to an attorney who is not a salaried employee of the lender, court costs, and other legal expenses allowed by law. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
- C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

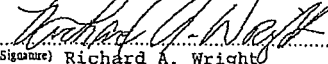
All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

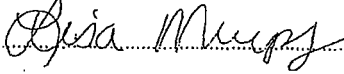
mlw *100007066* *RH*

20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
25. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.
26. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
 - ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
 - ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
 - ☐ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. (Check all applicable boxes)
 - ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
 - ☐ **Additional Terms.**

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

 (Signature) MARSHA P. WRIGHT (Seal) (Date)
  (Signature) RICHARD A. WRIGHT (Seal) (Date)

Signed, sealed and delivered in the presence of:

 (Witness)

PROBATE:

STATE OF SOUTH CAROLINA....., COUNTY OF Anderson.....} ss.
 Personally appeared before me the undersigned witness who, being duly sworn, depose and said that (s)he saw the Mortgagor (and each Mortgagor if more than one) sign, seal and deliver the foregoing Mortgage and that (s)he, together with the other witness whose name appears as a witness, witnessed the execution thereof.

Sworn to and subscribed before me this 21st day
 of JANUARY 2007.....

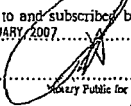
 (Seal)
 Notary Public for South Carolina
 My commission expires: 6-3-15

Exhibit "A"

Parcel 1:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1671 at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by deed from John D. Sitton, Jr., and Ruth R. Sitton, as Trustees under the Last Will and Testament of John D. Sitton by deed of Distribution of Deed dated 1/31/07 and recorded 2/7/07 in Deed Book 7841 at Page 185, in the R/D Office for Anderson County, South Carolina.

Parcel 2:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

This being a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by deed from Dale S. Rogers dated 2/25/00 and recorded 3/9/00 in Deed Book 3673, at Page 89, in the R/D Office for Greenville County, South Carolina.

The above described properties are subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

070009066 3/22/2007 09:04:41 AM
FILED, RECORDED, INDEXED
Bk: 07917 Ps: 00036 Page: 005
Rec Fee: 11.00 St Fee:
Co Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

EXHIBIT "B"
(Verified Complaint –
Case No: 2011-CP-04-2157)

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

IN THE COURT OF COMMON PLEAS

Case No. 2011 - CP-04-02157

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

COMPLAINT

(Non-Jury)
(Foreclosure of Mortgage on Secured
Indebtedness)
(Deficiency Demanded)

A TRUE COPY

JUL 12 2011

Robert R. Harty
CLERK OF COURT

Plaintiff, Pinnacle Bank of SC, would show unto this Court as follows:

1. Plaintiff is a banking institution organized under the laws of the United States of America, doing business in South Carolina, and the property described herein, which is the subject of this action, is situated in the State of South Carolina in Anderson County.
2. Upon information and belief, Defendant Marsha P. Wright ("Defendant Marsha Wright") is an individual and resident of Anderson County, South Carolina.
3. Upon information and belief, Defendant Richard A. Wright ("Defendant Richard Wright") is an individual and resident of Anderson County, South Carolina.
4. This is a mortgage foreclosure on property located in Anderson County.
5. The loan, under which the indebtedness arises, is not subject to modification under the Home Affordable Modification Program (the "HMP") or the HMP Guidelines promulgated by the United States Department of the Treasury dated March 4, 2009, as may be amended or supplemented from time to time.
6. The loan, under which the indebtedness arises, is a commercial loan.

EXHIBIT

B

7. The real property, which is the subject of this foreclosure action, is not an "owner-occupied dwelling" as defined by Administrative Order No. 2011-05-02-01.

8. The indebtedness secured by the mortgage lien on the real property is commercial indebtedness.

9. The indebtedness due and owing to the Plaintiff by Defendant Marsha Wright, and the real property securing the indebtedness are not subject to the provisions of Administrative Order No. 2011-05-02-01.

10. This Court has jurisdiction over this matter and venue is proper in Anderson County, South Carolina.

11. On or about January 31, 2007, Defendant Marsha Wright, for consideration, made, executed and delivered a certain Promissory Note (the "Note"), payable to the order of Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010. A true copy of the Note is attached hereto as Exhibit "A" and incorporated herein by reference.

12. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants Marsha Wright and Richard Wright, on or about January 31, 2007, made, executed and delivered to Plaintiff a Mortgage ("Mortgage"), whereby Defendants Marsha Wright and Richard Wright mortgaged certain real property located in Anderson County (the "Mortgaged Premises") described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major

portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033.

Property Address:

Old Mill Road
Anderson County, SC.

13. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36. A true copy of the Mortgage is attached hereto as Exhibit "B" and incorporated herein by reference.

14. In the Note, it is further provided that if the loan evidenced thereby is not paid when due, the maker would pay all reasonable costs and expenses of suit, including but not limited to reasonable attorney's fees.

15. In the Note, it is provided that in the event of default in any of the payments as therein provided, the whole amount of the debt secured by the Mortgage would become immediately due and payable. Defendant Marsha Wright has failed to pay Plaintiff the total amount due and owing, which matured on January 22, 2011, although demand has been made therefore.

16. By reason of the failure of Defendant Marsha Wright to pay the total amount due on the Note, as it has matured, Plaintiff has exercised its option under the Note and demanded the immediate payment due thereunder, which is secured by the

Mortgage. As a result of Defendant Marsha Wright's failure to pay the indebtedness according to the terms of the Note, Plaintiff is entitled to foreclosure of the Mortgage.

17. As of April 30, 2011, there is due and owing to Plaintiff by Defendant Marsha Wright on the Note, the sum of Four Hundred Sixty-Eight Thousand Eight Hundred Thirty and 85/100 Dollars (\$468,830.85), plus interest that continues to accrue, plus late charges, and together with attorneys' fees as provided in the Note and/or Mortgage and other applicable costs.

18. Plaintiff is informed and believes that its Mortgage constitutes a valid first lien on the Mortgaged Premises.

19. Plaintiff does not waive but specifically demands judgment against Defendant Marsha Wright for the full amount found to be due to Plaintiff, with the right to enter personal judgment against said Defendant Marsha Wright for any deficiency remaining after sale of the Mortgaged Premises.

20. Plaintiff is informed and believes that Defendant Richard Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the Mortgage.

WHEREFORE, Plaintiff prays:

(a) That the amounts due upon the Note be ascertained and determined under the direction of the Court;

(b) For a judgment of foreclosure for the amount so found to be due and owing to Plaintiff, together with reasonable attorney's fees and the costs of this action;

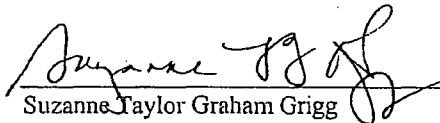
(c) That the Mortgaged Premises be sold pursuant to Order of this Court, the

equity of redemption be barred, and the proceeds of sale be first applied to the costs and expenses of this action, with the remaining proceeds being applied upon Plaintiff's judgment and attorney's fees, any amount in excess to be held by the Court until further ordered;

(d) That Defendants Marsha Wright and Richard Wright, and all persons whomsoever claiming by or through Defendants Marsha Wright and Richard Wright, be forever barred of all right, title and interest of, in and to the Mortgaged Premises, and each and every part thereof;

(e) For a judgment against Defendant Marsha Wright for the full amount found to be due Plaintiff, with the right to enter personal judgment against Defendant Marsha Wright for any deficiency remaining after the sale of the Mortgaged Premises; and

(f) For such other and further relief as the Court may deem just and proper.



Suzanne Taylor Graham Grigg
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
Telephone: 803-771-8900

July 11, 2011
Columbia, South Carolina

Attorneys for Plaintiff, Pinnacle Bank of SC

MARSHA P. WRIGHT 2003 OLD MILL ROAD EASLEY, SC 29642	Pinnacle Bank of SC P O BOX 8508 GREENVILLE, SC 29606	LO/APPROVER S01 Loan Number <u>0081137</u> Date <u>01-31-2007</u> Maturity Date <u>04-15-2008</u> Loan Amount \$ <u>488,912.00</u> Renewal Of _____ AFTBLUCOU BUL
BORROWER'S NAME AND ADDRESS *I* includes each borrower above, jointly and severally.	LENDER'S NAME AND ADDRESS *You* means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FOUR HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED TWELVE AND NO/100 Dollars \$ 488,912.00

- ☒ Single Advance: I will receive all of this principal sum on 01-31-2007. No additional advances are contemplated under this note.
- ☐ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.
- Conditions: The conditions for future advances are _____

- ☐ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.
- ☐ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).
- INTEREST: I agree to pay interest on the outstanding principal balance from 01-31-2007 at the rate of 8.500 % per year until 02-01-2007.

- ☒ Variable Rate: This rate may then change as stated below.
- ☒ Index Rate: The future rate will be 0.250 PERCENT ABOVE the following index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE. THE RESULT OF THIS CALCULATION WILL BE ROUNDED TO THE NEAREST 0.001
- ☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.
- ☒ Frequency and Timing: The rate on this note may change as often as EVERY DAY BEGINNING 02-01-2007
- A change in the interest rate will take effect ON THE SAME DAY
- ☒ Limitations: During the term of this loan, the applicable annual interest rate will not be more than 18.000 % or less than 4.000 %. The rate may not change more than _____ % each _____.
- Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:
- ☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

- ACCRUAL METHOD: Interest will be calculated on a ACTUAL/365 basis.
- POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:
- ☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).
- ☐ at a rate equal to _____
- ☒ LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF \$6.20 AND A MAX OF \$15.50
- ☒ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: ORIGINATION FEE \$3,516.84; APPRAISAL FEES \$650.00; FLOOD CERTS. \$28.00; ADMINISTRATIVE FEE \$150.00
- PAYMENTS: I agree to pay this note as follows:
- 14 MONTHLY INTEREST PAYMENTS RANGING FROM \$3057.56 TO \$3385.16 BEGINNING 02-28-2007 AND 1 PAYMENT OF \$470,877.58 ON 04-15-2008. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE. THE FINAL PAYMENT MAY ALSO CHANGE.

ADDITIONAL TERMS:

☒ SECURITY: This note is separately secured by (describe separate document by type and date):
REAL ESTATE MORTGAGE DATED 01/31/2007

(This section is for your internal use. Failure to set a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

Jim Stewart, EVA

PURPOSE: The purpose of this loan is REFINANCE PRIMARY RESIDENCE HELCO, PURCHASE DAUGHTERS CONDO AND PURCHASE LAND ADJACENT TO PRIMAF

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE INCLUDING THOSE ON PAGE 21. I have received a copy on today's date.

Marsha P. Wright
 MARSHA P. WRIGHT

EXHIBIT

A

UNIVERSAL NOTE

Experi © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN 3/4/2002

(page 1 of 2)

[illegible]

1137

This document was prepared by PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29608

State of South Carolina

Space Above This Line For Recording Data

MORTGAGE (With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 01-31-2007..... and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: MARSHA P. WRIGHT and Richard A. Wright
2003 OLD MILL ROAD
EASLEY, SC 29642

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: PINNACLE BANK OF SC
ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA
P O BOX 6508
GREENVILLE, SC 29608

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
FIRST REAL ESTATE MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT OLD MILL ROAD, 7 ACRES, TAX # 1890011004, EASLEY, SC 29642;
SECOND MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT 2003 OLD MILL ROAD, EASLEY, SC 29642.

The property is located in ANDERSON at 2003 OLD MILL ROAD
(County)
..... EASLEY South Carolina 29642
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 468,912.00..... This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument. Interest under the Note will be deferred, accrued or capitalized; however, Mortgagee shall not be required to defer, accrue or capitalize any interest except as provided in the Note.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
MARSHA P. WRIGHT
\$468,912.00
PRIME + .25%
MATURITY 4/15/2008

EXHIBIT

B

mpk Ypage [Signature]

B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.

D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is free of all encumbrances, except for encumbrances of record.

7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.

10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Mortgage. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

[Handwritten signature] (page 2 of 2)

13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment when due. A good faith belief by Lender that the prospect of any payment, performance, or realization on the Property is significantly impaired shall also constitute an event of default.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, reasonable attorneys' fees of not more than 15% of the unpaid debt when it is referred for collection to an attorney who is not a salaried employee of the lender, court costs, and other legal expenses allowed by law. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
- C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

MLK *JP* *RM*

20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
25. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.
26. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- ☐ Line of Credit. The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
 - ☐ Construction Loan. This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
 - ☐ Fixture Filing. Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
 - ☐ Riders. The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. (Check all applicable boxes)
 - ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
 - ☐ Additional Terms.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Marsha P. Wright (Signature) MARSHA P. WRIGHT (Date) (Seal) *Richard A. Wright* (Signature) RICHARD A. WRIGHT (Date) (Seal)

Signed, sealed and delivered in the presence of:

[Witness Signature] (Witness) *Debra Murphy* (Witness)

PROBATE:

STATE OF SOUTH CAROLINA COUNTY OF Anderson ss.
Personally appeared before me the undersigned witness who, being duly sworn, deposed and said that (s)he saw the Mortgagor (and each Mortgagor if more than one) sign, seal and deliver the foregoing Mortgage and that (s)he, together with the other witness whose name appears as a witness, witnessed the execution thereof.

Sworn to and subscribed before me this 31st day
of JANUARY, 2007.

[Notary Signature] (Seal) *Debra Murphy*
Notary Public for South Carolina
My commission expires: 6-3-15

Exhibit "A"

Parcel 1:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1076, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by deed from John D. Sitton, Jr., and Ruth R. Sitton, as Trustees under the Last Will and Testament of John D. Sitton by deed of Distribution of Deed dated 1/31/07 and recorded 2/7/07 in Deed Book 1841, at Page 185, in the R/D Office for Anderson County, South Carolina.

Parcel 2:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

This being a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by deed from Dale S. Rogers dated 2/25/00 and recorded 3/9/00 in Deed Book 3673, at Page 89, in the R/D Office for Greenville County, South Carolina.

The above described properties are subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

07000906 3/22/2007 09:04:41 AM
FILED, RECORDED, INDEXED
Bk: 07917 Ps: 00036 Pages: 005
Rec Fee: 11.00 St Fee:
Co Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

EXHIBIT “C”

(Order of Reference)

NO MOTION FEE PAID

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

IN THE COURT OF COMMON PLEAS

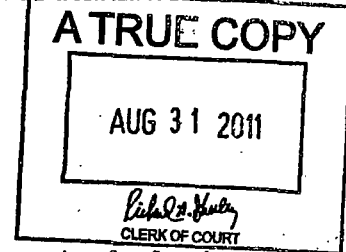
Pinnacle Bank of SC,
Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,
Defendants.

Case No. 2011-CP-040-2157

ORDER OF REFERENCE



IT APPEARING that, pursuant to Rule 53(b), SCRCP, an action for foreclosure of a mortgage may be referred to the Honorable Ellis Br. Drew, Jr., Master-In-Equity for Anderson County,

IT FURTHER APPEARING that the above-entitled action is an action for foreclosure of a mortgage on real property located in Anderson County, South Carolina; and, it is a proper matter to refer to the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County,

AND IT FURTHER APPEARING that Defendants Marsha P. Wright and Richard A. Wright have failed to file responsive pleadings to the Summons and Complaint herein,

AND IT FURTHER APPEARING that the referral of this action to the Master-In-Equity is proper in this case,

NOW, THEREFORE, pursuant to Rule 53, SCRCP, and upon motion of the attorney for the Plaintiff,

IT IS HEREBY ORDERED that the above-entitled action be, and the same hereby is, referred to the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County, South Carolina to: take testimony and to direct entry of final judgment in this action under Rule 53(b),



SCRCF, and all matters arising from or reasonably related to such action. The Master-In-Equity shall retain jurisdiction to perform all necessary acts incident to this foreclosure including, but not limited to, issuance of a writ of assistance; issuance of a rule to show cause; and the hearing of issues involving appraisal proceedings under S.C. Code Ann. § 29-3-360 (1976), *et seq.* Further, the Master-In-Equity shall retain jurisdiction to hear any action contesting the validity of the foreclosure action or sale or any motions pursuant to South Carolina Rules of Civil Procedure including, but not limited to, Rule 60(b).

Any appeal from the final judgment entered by the Master-In-Equity shall be directly to the South Carolina Court of Appeals, pursuant to Rule 203(d)(1), SCACR, effective June 1, 1999.

AND IT IS SO ORDERED.

August 31, 2011
Anderson, South Carolina

Richard A. Shirley
(Clerk of Court)

I SO MOVE:

Suzanne Taylor Graham Grigg
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
(802) 771-8900
Attorneys for the Plaintiff

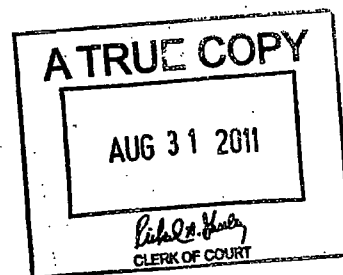


EXHIBIT “D”
(Transcript of Hearing –
July 30, 2012)

JULY 30, 2012
ANDERSON, SOUTH CAROLINA

MOTIONS TO DISMISS

BEFORE :

THE HONORABLE R. LAWTON MCINTOSH

APPEARANCES :

JENNIFER HOLLINGSWORTH, ATTORNEY AT LAW
SUZANNE G. GRIGG, ATTORNEY AT LAW
ATTORNEYS FOR THE PLAINTIFF

WENDELL LEON HAWKINS, ESQUIRE
ATTORNEY FOR THE DEFENDANT

PROVIDED FOR: JENNIFER HOLLINGSWORTH, ATTORNEY AT LAW

JO RICE
JRICE@SCCOURTS.ORG
OFFICIAL COURT REPORTER
SOUTH CAROLINA JUDICIAL DEPARTMENT



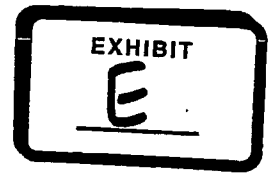
1 foreclosure. There was an Order of Foreclosure and Sale
2 issued for that piece of property, which we refer to as
3 Parcel 1. The Plaintiff's requested a deficiency on the
4 note and the mortgage for the full amount. They foreclosed
5 on Parcel 1. They got a deficiency judgment for Parcel 1
6 and then, after that, they were given the deed to Parcel 1.
7 While, I think, that case was pending, some time much later,
8 right before they got their award, they filed another case
9 under the same note and the same mortgage for Parcel 2,
10 which is the house, or the Defendant's house and acreage.

11 We intentionally, Your Honor, did not answer or reply
12 to the first foreclosure, because we noted that they left
13 out the second parcel, which is where their house was and it
14 was our position that we would be able to raise the defense
15 of res judicata.

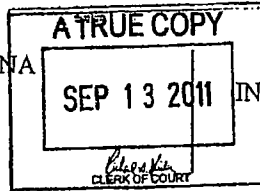
16 They've now, the Plaintiff will assert that Judge Drew
17 retained jurisdiction over the second parcel in the order,
18 but it's our position that, because they didn't include in
19 the pleadings, lis pendens, Judge Drew never had
20 jurisdiction. He never had in rem jurisdiction over Parcel
21 2 and he could not make any rulings as to that particular
22 piece of property.

23 Now, of course, the in personam jurisdiction, the
24 liability on the note, that's fine. We don't contest that,
25 but as Your Honor knows, the foreclosure action is an action

EXHIBIT “E”
**(Master-in-Equity’s Order and
Judgment of Foreclosure and
Sale)**



STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON



IN THE COURT OF COMMON PLEAS

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

Case No. 2011-CP-040-2157

**MASTER-IN-EQUITY'S ORDER AND
JUDGMENT OF FORECLOSURE
AND SALE**

Pursuant to Rule 53 SCRPC, the above-entitled matter was referred to the Anderson County Master-In-Equity to make appropriate findings of fact and conclusions of law with authority to enter a final judgment in this cause. Any appeal from this Order is to the South Carolina Court of Appeals.

Pursuant to the Order of Reference granted in the above-entitled case, a hearing was held before the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County on the 13th day of September, 2011.

FINDINGS OF FACT

1. The Summons, Complaint and Lis Pendens were filed by Pinnacle Bank of SC ("Pinnacle Bank" or the "Plaintiff") in the Office of the Clerk of Court for Anderson County on July 12, 2011.
2. Service was made upon Defendant Marsha P. Wright ("Defendant Marsha Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.
3. Service was made upon Defendant Richard A. Wright ("Defendant

Richard Wright") on July 22, 2011, as is shown by the Affidavit of Service filed with the Office of the Clerk of Court for Anderson County on August 18, 2011.

4. The Affidavit of Default and Non-Military Service as to Marsha P. Wright and Richard A. Wright was filed with the Anderson County Clerk of Court's Office on August 31, 2011.

5. On August 31, 2011, an Order of Reference was filed with the Office of the Clerk of Court for Anderson County, referring this matter to the Master-In-Equity for Anderson County.

6. A Notice of Hearing was filed with the Office of the Clerk of Court for Anderson County, evidencing notice to the Defendants of the hearing scheduled for September 13, 2011.

7. On or about January 31, 2007, Defendant Marsha Wright, for consideration, made, executed and delivered a certain Promissory Note (the "Note"), payable to the order of Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010.

8. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants Marsha Wright and Richard Wright, on or about January 31, 2007, made, executed and delivered to Plaintiff a Mortgage ("Mortgage"), whereby Defendants Marsha Wright and Richard Wright mortgaged certain real property located in Anderson County (the "Mortgaged Premises")

described as follows¹:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

9. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36.

10. The obligations under the terms and conditions of the Note are in default for, among other reasons, the failure of Defendant Marsha Wright to repay the indebtedness in accordance with the terms thereof.

11. In the Note, it is provided that in the event of default in any of the terms thereof, the whole amount of the debt secured by the Mortgage would become immediately due and payable. By reason of the failure of Defendant Marsha Wright to

¹ The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later date.

comply with the terms and conditions of the Note and the Mortgage, the Plaintiff is entitled to foreclosure of the Mortgage.

12. The Note provides that, if the loan evidenced thereby is not paid when due, the maker will pay all reasonable costs and expenses of suit, including but not limited to reasonable attorneys' fees.

13. The Plaintiff has sent written notice to the Defendants of the default as required by and conforming to applicable law.

14. The Mortgage constitutes a valid first mortgage lien upon the Mortgaged Premises.

15. The amount due and owing on the Note, with interest at the rate provided in the Note, and other costs and expenses of collection, including reasonable attorneys' fees and costs, is as follows:

Principal as of September 6, 2011	\$462,669.44
Interest as of September 6, 2011	\$ 12,949.34
Per Diem: \$57.04144; Interest Rate: 4.50%	
Attorneys' Fees and Costs (allowed by the Court)	\$ 6,200.00
TOTAL DEBT ON THE NOTE AS OF SEPTEMBER 6, 2011	\$481,818.78

16. The Plaintiff is seeking foreclosure of the Mortgage and has demanded the right to a deficiency judgment against Defendant Marsha Wright, pursuant to S.C. Code Ann. Section 29-3-660 (1976).

17. Plaintiff is informed and believes that Defendant Richard Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the

Mortgage.

CONCLUSIONS OF LAW

I, therefore, conclude as follows:

1. The Plaintiff should have judgment of foreclosure of its Mortgage and the Mortgaged Premises should be ordered sold at public auction after due advertisement. The sale shall be made subject to taxes and assessments that are due on the day of sale. After making the required deposit, the successful bidder at the sale should be required to pay interest at the judgment rate until the date of compliance.

2. Plaintiff is entitled to Judgment against Defendant Marsha Wright for the total amount of the indebtedness due and owing to the Plaintiff, as set forth hereinabove.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The loan, under which the indebtedness arises, is not subject to modification under the HMP.

2. The Mortgaged Premises is commercial property, it is not an owner-occupied dwelling, and, therefore, is not subject to Administrative Order No. 2011-05-02-01 issued by The Supreme Court of South Carolina on May 2, 2011.

3. There is due to Plaintiff on the Note and Mortgage set forth in the Complaint, the sum of Four Hundred Eighty One Thousand Eight Hundred Eighteen and 78/100 Dollars (\$481,818.78), representing the "Total Debt" due to Plaintiff on the Note, together with interest on the principal balance from September 7, 2011, to the date of judgment.

4. The Total Debt amount due in the preceding paragraph (supra, and later accrued interest on the principal to the date of judgment) shall constitute the total judgment debt due to the Plaintiff and shall bear interest after the date of judgment at the

rate of 4.50% per annum.

5. Defendant Marsha Wright shall, on or before the date of sale of the property hereinafter described, pay to the Plaintiff's attorney the amount of Plaintiff's debt as aforesaid, together with the costs and expenses of this action.

6. On default of payment at or before the time herein indicated, the Mortgaged Premises described in the Complaint, as hereinafter set forth, shall be sold by the Master-In-Equity for Anderson County or his agent at public auction, at Anderson, South Carolina, on some convenient sales day hereafter (and should the regular day of judicial sales fall on a legal holiday, then and in such event, the sales day shall be on the next Tuesday succeeding such holiday), on the following terms, that is to say:

(a) FOR CASH: The Master-In-Equity or his agent will require a deposit of 5% on the amount bid (in cash or equivalent) same to be applied on the purchase price only upon compliance with the bid, but in case of non-compliance within twenty (20) days same to be forfeited and applied to the costs and any surplus pending further order of the Court.

(b) Interest on the balance of the bid shall be paid through the day of compliance at the judgment rate.

(c) The sale shall be subject to the taxes and assessments due on the day of such sale, and existing easements and restrictions of record.

(d) Purchaser shall pay for the preparation of the deed and costs of recording the deed.

7. If Plaintiff is the successful bidder at said sale, for a sum not exceeding the amount of costs, expenses, and the indebtedness of Plaintiff in full, Plaintiff may pay to

the Master-In-Equity for Anderson County only the amount of the costs and expenses, crediting the balance of the bid on Plaintiff's indebtedness.

8. Personal or deficiency judgment having not been waived, the sale will remain open for thirty (30) days pursuant to S.C. Code Ann. Section 15-39-720, (1976).

9. The Master-In-Equity for Anderson County, will by advertisement according to law, give notice of the time and place of sale, and the terms thereof and will execute to the purchaser, or purchasers, a deed to the realty sold. Plaintiff, or any other party to this action, may become a Purchaser at such sale, and if, upon such sale being made, the purchaser, or purchasers, should fail to comply with the terms thereof within twenty (20) days after date of sale, then the Master-In-Equity for Anderson County may advertise the said property for sale on the next, or some other subsequent sales day, at the risk of the former highest bidder, and so from time to time thereafter until a full compliance shall be secured.

10. The Master-In-Equity for Anderson County shall apply the proceeds of the sale as follows:

First: To payment of the costs and disbursements of this action;

Next: To the payment to Plaintiff or its attorney, of the amount of Plaintiff's debt and interest or so much thereof as the purchase money will pay on the same.

Next: Any surplus will be held pending further Order of this Court.

11. It is further ORDERED, ADJUDGED AND DECREED that in the event the successful bidder is other than the Defendant and if a Writ of Assistance is presented, the Sheriff of Anderson County is ordered and directed to eject and remove from the premises the occupant(s) of the property sold, together with all personal property located

thereon, and put the successful bidder or his assigns in such peaceable possession. All valid tenant rights shall be protected pursuant to the Protecting Tenants at Foreclosure Act of 2009.

12. And it is further ORDERED, ADJUDGED AND DECREED that the Defendant and all persons whosoever claiming under the Defendant be forever barred and foreclosed of all right, title, interest, and equity of redemption in the said Mortgaged Premises so sold, or any part thereof.

13. IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. § 30-9-31 (Supp. 1987), the deed of conveyance made pursuant to said sale shall be indexed in the grantor index by the Registrar of Deeds in the name of the owner of record of the Mortgaged Premises immediately prior to execution of the deed, as well as in the name of the Master-In-Equity for Anderson County, who executes such deed as grantor.

14. The Master-In-Equity will retain jurisdiction to do all the necessary acts incidental to this foreclosure including, but not limited to, the issuance of a Writ of Assistance and disposing of any surplus funds pursuant to Rule 71 (c), SCRPC.

15. The Mortgaged Premises ordered to be sold is described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John

D. Sitton recorded on February 7, 2007 in the Office of the
Register of Deeds for Anderson County in Deed Book 7841
at Page 185.

TMS No. 188-00-11-033

Property Address:

Old Mill Road
Anderson County, SC

16. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if the
Plaintiff or the Plaintiff's representative does not appear at the scheduled sale of the
above-described property, then the sale of the property will be null, void and of no force
and effect. In such event, the sales will be rescheduled for the next available sales day.

AND IT IS SO ORDERED.

September 13, 2011

/s/ Ellis B. Drew, Jr.
Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

EXHIBIT “F”
(Certificate of Service)

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

IN THE COURT OF COMMON PLEAS

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

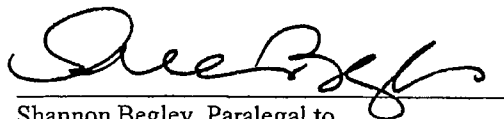
Case No. 2011-CP-040-2157

CERTIFICATE OF SERVICE

I, Shannon Begley, an employee of Nexsen Pruet, LLC, do hereby certify that copies of the *Notice of Sale* and *Master-In-Equity's Order and Judgment of Foreclosure and Sale* in the above matter were served on the Defendants, addressed as shown below, by U.S. Mail, postage prepaid, on this 22nd day of September 2011, at Columbia, South Carolina.

Marsha P. Wright
2003 Old Mill Road
Easley, South Carolina 29642

Richard A. Wright
2003 Old Mill Road
Easley, South Carolina 29642



Shannon Begley, Paralegal to
Suzanne Taylor Graham Grigg, Esquire
NEXSEN PRUET, LLC
Post Office Drawer 2426
Columbia, South Carolina 29202
(803) 771-8900
Attorneys for Plaintiff

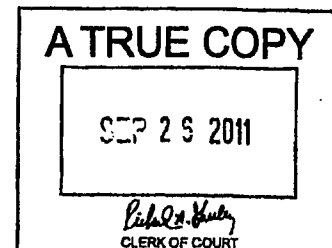


EXHIBIT "G"
**(Partial Release of Mortgage
Lien)**



120003247 2/13/2012 Bk: 10329 Pg: 00038

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF ANDERSON)
)

PARTIAL RELEASE OF MORTGAGE
LIEN AS TO 8.033 ACRES LOCATED
ON OLD MILL ROAD ONLY
(ANDERSON COUNTY CIVIL
ACTION NO. 2011-CP-040-2157)

I, ELLIS B. DREW, JR., as MASTER-IN-EQUITY for Anderson County, South Carolina, pursuant to foreclosure proceedings in the action entitled, *Pinnacle Bank of SC. vs. Marsha P. Wright and Richard A. Wright*, as appears of record in the Office of the Clerk of Court, Anderson County, under Civil Action No. 2011-CP-040-2157 do hereby declare lien of mortgage recorded on **March 22, 2007, in Book 7917 at Page 36**, in the Office of the Anderson County Register of Deeds, is **partially** released, canceled, and satisfied by sale under foreclosure the 4th day of October, 2011, as to property described as **Acreage on Old Mill Road, Anderson County, SC, TMS#, 188-00-11-033 (See Judgment Roll No. 2011-2157)** in the mortgage originally given by Marsha P. Wright and Richard A. Wright unto Pinnacle Bank of SC.

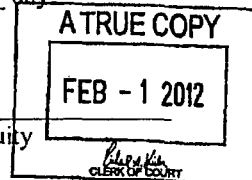
WITNESSES:

James J. Serna
Donna McClellon

Witness my hand and seal this 27 day

of January, 2012.

Ellis B. Drew, Jr.
Ellis B. Drew, Jr., as Master-In-Equity
for Anderson County



STATE OF SOUTH CAROLINA)
)
)
COUNTY OF ANDERSON)
)

ACKNOWLEDGMENT
S.C. Code Sec. 30-5-30
(Effective January 1, 1995)

I, the undersigned, Notary Public for the State of South Carolina, do hereby certify that Ellis B. Drew, Jr., Master-In-Equity for Anderson County, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand this 27 day of January, 2012.

Donna McClellon

Notary Public for South Carolina
My Commission Expires: 4-18-16

I Said Mortgage also includes property located at 2003 Old Mill Road, containing 9.684 acres, Anderson County, South Carolina, which was not included in the above-referenced foreclosure action. Said Mortgage lien remains in full force and effect.

120003247 2/13/2012 10:16:57 AM
FILED, RECORDED, INDEXED
Bk: 10329 Pg: 00038 Pages: 001
Rec Fee: 6.00 St Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

EXHIBIT “H”
(Order for Deficiency
Judgment)

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

IN THE COURT OF COMMON PLEAS

Case No. 2011-CP-040-2157

**ORDER FOR DEFICIENCY
JUDGMENT**

Pursuant to the *Master-In-Equity's Order and Judgment of Foreclosure and Sale* filed in
the above-captioned case on September 13, 2011, the Plaintiff is entitled to a personal deficiency
judgment against Defendant Marsha P. Wright as follows:

Amount of judgment of foreclosure entered by the Court as of September 6, 2011	\$481,818.78
--	--------------

Plus: Interest at 4.50% per annum on the principal balance from September 7, 2011 through September 13, 2011 (7days @ \$57.04144 per day)	\$ 399.29
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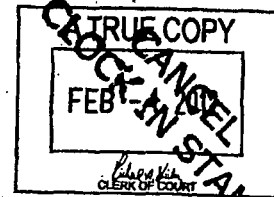
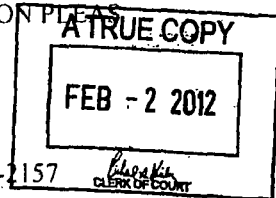
TOTAL JUDGMENT AMOUNT AS OF SEPTEMBER 13, 2011	\$482,218.07
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Plus: Interest at 4.50% per annum on the total judgment amount from September 14, 2011 through November 3, 2011 (51 days @ \$9.4516 per day)	\$ 3,032.03
---	-------------

TOTAL JUDGMENT DEBT COMPUTED ON CLOSE OF SALE ON NOVEMBER 3, 2011	<u>\$485,250.10</u>
---	---------------------

Credit Bid Allowance	\$75,000.00
----------------------	-------------

LESS: Costs incurred through Equity Court proceedings	(\$ 750.00)
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NET SALES PROCEEDS (CREDIT
BID)

\$74,250.00

AMOUNT OF PERSONAL
DEFICIENCY JUDGMENT
ENTERED AGAINST DEFENDANT
LINDA P. WRIGHT. DEFICIENCY
JUDGMENT WILL CONTINUE TO
ACCRUE INTEREST AT THE RATE
OF 4.5% PER ANNUM FROM
NOVEMBER 4, 2011 UNTIL FULLY
SATISFIED.

\$411,000.10

AND IT IS SO ORDERED.

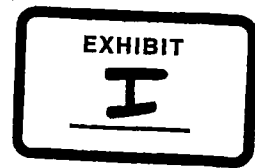


The Honorable Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

Anderson, South Carolina
January 27, 2012

EXHIBIT “I”

(Affidavit of Jim Stewart)



STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

IN THE CIRCUIT COURT

Pinnacle Bank of SC,

Plaintiff,

Case No. 2011-CP-04-3285

vs.

AFFIDAVIT OF JIM STEWART

Marsha P. Wright, and Richard A. Wright,

Defendants.

Personally appeared before me, Jim Stewart, who, being first duly sworn, deposes and says that:

1. I am employed by Pinnacle Bank of SC, as Executive Vice-President and Senior Market Executive. I have held this position since 2006. My responsibilities in this position have included management of our branch banks, commercial banking, and managing a commercial loan portfolio for my own lending customers. I also serve on the bank's loan committee. I am personally familiar with both the commercial and consumer mortgage lending practices of Pinnacle Bank over the past six years. Altogether, I have 34 years of experience in the commercial and consumer banking business.

2. I am personally acquainted with Marsha P. Wright. She was one of my commercial lending customers for several years. I had extensive dealings with Ms. Wright concerning the loan which is the subject of this lawsuit, as well as other lending matters. I negotiated the loan involved in this case, dealt with Ms. Wright during the application stage, attended the closing, and dealt with her during the servicing and administration of the loan. In

addition, I have reviewed and am personally familiar with Pinnacle Bank's loan file concerning this loan, and the documentation involved in this loan.

3. Pinnacle Bank provides mortgage lending services, among other services.

However, Pinnacle Bank originates and funds its own mortgage loans; it does not solicit, process, place, or negotiate mortgage loans for others, or offer to do so, or bring borrowers and lenders together to obtain mortgage loans.

4. On January 31, 2007, Pinnacle Bank loaned Ms. Wright the sum of \$468,912.00.

She executed a Note in this amount, a copy of which is attached as *Exhibit "A."* This loan was secured by a mortgage covering two parcels of real property. A copy of this mortgage is attached hereto as *Exhibit "B."* The exhibit to that mortgage describes the two parcels encumbered by the mortgage – referred to as Parcel 1 and Parcel 2. Both Ms. Wright and her husband, Richard A. Wright, were mortgagors under this mortgage. The mortgage was properly filed in Anderson County.

5. Ms. Wright signed the BORROWER'S PREFERENCE AS TO LEGAL COUNSEL AND

INSURANCE AGENT form attached hereto as *Exhibit "C."* As the form shows, Ms. Wright selected attorney James Erwin to represent her in closing the loan, and Steve Merritt, at State Farm, as her insurance agent. Mr. Erwin did close the loan, and I was present for the closing on January 31, 2007.

6. Pinnacle Bank's procedure at the time Ms. Wright's loan was closed was to prepare a standard closing package and deliver it to the closing attorney. The bank contracted with an outside vendor that furnished regularly-updated software containing all the disclosure forms required by Federal and State laws. Pinnacle Bank employee Jean Kelley had

responsibility for preparing the closing packages, and printing off the disclosure forms from this software package for each closing package. This was the bank's standard procedure, and is the procedure that would have been followed with respect to this loan. Ms. Wright's closing package was sent to Mr. Erwin, Ms. Wright's chosen closing attorney.

7. The original maturity date of Ms. Wright's loan was April 15, 2008, as set forth in the Note.

8. Ms. Wright failed to make payment as required, and Pinnacle Bank commenced an action for Foreclosure and a Deficiency Judgment on July 11, 2011. Ms. Wright personally requested that Pinnacle Bank limit this action to Parcel 1, as she wanted an opportunity to try to sell Parcel 2 and clear all of her debts to Pinnacle Bank under the Note. I agreed to her request to limit this action to Parcel 1, and the bank therefore proceeded only against Parcel 1. On September 13, 2011, the Master-in-Equity for Anderson County issued an Order and Judgment of Foreclosure and Sale. This Order was specifically limited to Parcel 1 of the real property secured by the mortgage, reflecting my agreement with Ms. Wright. The Order states that: *The Mortgage also encumbers additional property that is not included in this foreclosure action. Accordingly, the Mortgage shall remain a lien on the property not included in this foreclosure action. The Plaintiff reserves the right to pursue the remaining property at a later time.*

9. Ms. Wright was not able to sell Parcel 2, however, or otherwise resolve the past-due debt under the Note, which remains unpaid as of this date. Therefore, Pinnacle Bank commenced the instant action on November 7, 2011, seeking foreclosure as to Parcel 2 and a deficiency judgment.

FURTHER AFFIANT SAYETH NOT.

James S. Stewart

Jim Stewart

SWORN and subscribed to before me
this 23 day of July, 2012.

W. R. Jones (L.S.)

Notary Public for South Carolina

My Commission Expires: 1-31-2017

MARSHA P. WRIGHT 2003 OLD MILL ROAD EASLEY, SC 29642	PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29606	LO/APPROVER S01 Loan Number <u>0001137</u> Date <u>01-31-2007</u> Maturity Date <u>04-15-2008</u> Loan Amount <u>\$ 488,912.00</u> Renewal Of _____ AFT/BL/COU BILL
BORROWER'S NAME AND ADDRESS	LENDER'S NAME AND ADDRESS	
"I" includes each borrower above, jointly and severally.	"You" means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FOUR HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED TWELVE AND NO/100 Dollars \$ 468,812.00

- ☒ **Single Advance:** I will receive all of this principal sum on 01-31-2007. No additional advances are contemplated under this note.
- ☐ **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____

- ☐ **Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

- ☐ **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 01-31-2007 at the rate of 8.500 % per year until 02-01-2007.

- ☒ **Variable Rate:** This rate may then change as stated below.

☒ **Index Rate:** The future rate will be 0.250 PERCENT ABOVE the following Index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE. THE RESULT OF THIS CALCULATION WILL BE ROUNDED TO THE NEAREST 0.001

- ☐ **No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

☒ **Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 02-01-2007

A change in the interest rate will take effect ON THE SAME DAY

☒ **Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 18.000% or less than 4.000 %. The rate may not change more than _____ % each _____.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

- ☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/365 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

- ☐ on the same fixed or variable rate basis in effect before maturity (as indicated above).

- ☐ at a rate equal to _____

☒ **LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF \$8.20 AND A MAX OF \$15.50

☒ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: ORIGINATION FEE \$3,516.84; APPRAISAL FEES \$550.00; FLOOD CERTS. \$28.00; ADMINISTRATIVE FEE \$150.00

PAYMENTS: I agree to pay this note as follows:

14 MONTHLY INTEREST PAYMENTS RANGING FROM \$3057.58 TO \$3385.16 BEGINNING 02-28-2007 AND 1 PAYMENT OF \$470,877.58 ON 04-15-2008. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE. THE FINAL PAYMENT MAY ALSO CHANGE.

ADDITIONAL TERMS:

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):

REAL ESTATE MORTGAGE DATED 01/31/2007

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

James D. Stewart

JIM STEWART, EVR

PURPOSE: The purpose of this loan is REFINANCE PRIMARY RESIDENCE HELD, PURCHASE DAUGHTERS CONDO AND PURCHASE LAND ADJACENT TO PRIMAF

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Marsha P. Wright

MARSHA P. WRIGHT

EXHIBIT

A

UNIVERSAL NOTE

Express® © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN 3/4/2002

(page 1 of 2)

118

1137

This document was prepared by PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29608

State of South Carolina

Space Above This Line For Recording Data

MORTGAGE (With Future Advance Clause)

1. DATE AND PARTIES. The date of this Mortgage (Security Instrument) is 01-31-2007..... and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: MARSHA P. WRIGHT and Richard A. Wright
2003 OLD MILL ROAD
EASLEY, SC 29642

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: PINNACLE BANK OF SC
ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA
P O BOX 6508
GREENVILLE, SC 29608

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
FIRST REAL ESTATE MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT OLD MILL ROAD, 7 ACRES, TAX # 1880011004, EASLEY, SC 29642;
SECOND MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT 2003 OLD MILL ROAD, EASLEY, SC 29642.

The property is located in ANDERSON at 2003 OLD MILL ROAD
(County)
..... EASLEY South Carolina 29642
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights; ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 498,912.00..... This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument. Interest under the Note will be deferred, accrued or capitalized; however, Mortgagee shall not be required to defer, accrue or capitalize any interest except as provided in the Note.
4. SECURED DEBT AND FUTURE ADVANCES. The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
MARSHA P. WRIGHT
\$498,912.00
PRIME + .25%
MATURITY 4/15/2008

EXHIBIT

B

Page 1 of 1
MAR Page 1 of 1

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.
- This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.
5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
- A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.
- Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.
11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.
12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.
- Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Mortgage. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

Handwritten signature and initials, possibly "MPP" and "JW", with a date "3/22/07" written next to them.

13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

14. **DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment when due. A good faith belief by Lender that the prospect of any payment, performance, or realization on the Property is significantly impaired shall also constitute an event of default.

15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, reasonable attorneys' fees of not more than 15% of the unpaid debt when it is referred for collection to an attorney who is not a salaried employee of the lender, court costs, and other legal expenses allowed by law. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.

B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.

C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.

D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.

18. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

19. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
25. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.
26. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
 - ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
 - ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
 - ☐ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check all applicable boxes]
 - ☐ Condominium Rider ☐ Planned Unit Development Rider ☐ Other
 - ☐ **Additional Terms.**

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Marsha P. Wright (Seal)
(Signature) MARSHA P. WRIGHT (Date)

Richard A. Wright (Seal)
(Signature) RICHARD A. WRIGHT (Date)

Signed, sealed and delivered in the presence of:

[Signature]
(Witness)

Debra Murphy
(Witness)

PROBATE:

STATE OF SOUTH CAROLINA COUNTY OF Anderson ss.
Personally appeared before me the undersigned witness who, being duly sworn, deposed and said that (s)he saw the Mortgagor (and each Mortgagor if more than one) sign, seal and deliver the foregoing Mortgage and that (s)he, together with the other witness whose name appears as a witness, witnessed the execution thereof.

Sworn to and subscribed before me this 22 day
of JANUARY, 2007.

[Signature] (Seal)
Notary Public for South Carolina
My commission expires: 6-30-15

Exhibit "A"

Parcel 1:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 16716 at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by deed from John D. Sitton, Jr., and Ruth R. Sitton, as Trustees under the Last Will and Testament of John D. Sitton by deed of Distribution of Deed dated 1/31/07 and recorded 2/7/07 in Deed Book 1841, at Page 135, in the R/D Office for Anderson County, South Carolina.

Parcel 2:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

This being a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by deed from Dale S. Rogers dated 2/25/00 and recorded 3/9/00 in Deed Book 3673, at Page 89, in the R/D Office for Greenville County, South Carolina.

The above described properties are subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

07000906 3/22/2007 09:04:41 AM
FILED, RECORDED, INDEXED
Bk: 07917 Ps: 00036 Pages: 005
Rec Fee: 11.00 St Fee:
Co Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

MARSHA P. WRIGHT 2003 OLD MILL ROAD EASLEY, SC 29642	PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29606	Date Mailed or Delivered <u>01-09-2007</u> Date Application is Received or Prepared <u>01-09-2007</u> Date Returned to Lender _____ Reference Number <u>0001137</u>
BORROWER'S NAME AND ADDRESS "You" and "We" includes each borrower above, jointly and severally.	LENDER'S NAME AND ADDRESS "Lender" includes the lender, its successor and assigns.	

BORROWER'S PREFERENCE AS TO LEGAL COUNSEL AND INSURANCE AGENT

This form is to be completed and returned to the lender as part of your loan application.

Under South Carolina law, you have the right to request the use of any qualified legal counsel to represent you in all matters relating to the closing of this loan, and the use of any qualified insurance agent to furnish any required insurance in connection with the mortgage.

The types of insurance required in a transaction of this nature are: _____

☐ You have been informed by the lender that flood insurance may be required in connection with this transaction, and that you have the right to select an insurance agent to provide any required flood insurance. The lender has not yet determined whether flood insurance will be required. If it is determined that flood insurance is required in connection with this mortgage transaction, the lender will send you written notice along with a form for documenting your preference for insurance agent.

If you have preferences as to the use of a particular attorney or insurance agent, complete the appropriate section (a) below. If you do not have a preference as to the use of a particular attorney or insurance agent, the lender will provide you with a list of qualified attorneys and insurance agents from which you can choose. Indicate your choice(s) in sections (b).

ATTORNEY

We have been informed by the lender that we have a right to select legal counsel to represent us in all matters of this transaction relating to the closing of the loan.

(a) We select:

(b) Having been informed of this right, and having no preference, we asked for assistance from the lender and were referred to a list of acceptable attorneys. From that list we select:

~~CAMERON~~ James S. Erwin, III

INSURANCE AGENT

We have been informed by the lender that we have a right to select an insurance agent to furnish the required insurance in connection with this mortgage transaction.

(a) We select:

(b) Having been informed of this right, and having no preference, we asked for assistance from the lender and were referred to a list of acceptable insurance agents. From that list we select:

STEVE MERRITT STATE FARM

CHANGE IN PREFERENCE: You may change your attorney or insurance agent preference by notifying the lender in writing of your new preference. You must sign and date any change of preference notice. Failure to provide the Lender with your preference information in a timely manner may result in a delay in your closing.

We have executed this document and we acknowledge receipt of a copy of this document on 01-09-2007

Marsha P. Wright 1/31/07
Borrower's Signature (Date)
MARSHA P. WRIGHT

Borrower's Signature

(Date)

Marsha P. Wright 1/31/07
Borrower's Signature (Date)
MARSHA P. WRIGHT

Borrower's Signature

(Date)

EXHIBIT

C

EXHIBIT "J"
(Verified Complaint –
Case No.: 2011-CP-04-3285)

11-4-11

I APPRECIATE YOUR HELP.
STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

IN THE COURT OF COMMON PLEAS

Case No. 2011-CP-04- 03285

VERIFIED COMPLAINT

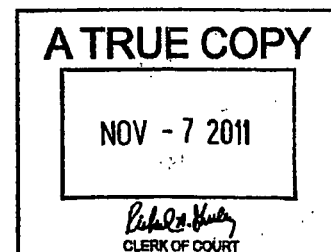
(Non-Jury)

**(Foreclosure of Mortgage on Secured
Indebtedness)**

(Deficiency Demanded)

The Plaintiff, Pinnacle Bank of SC ("Pinnacle" or "Plaintiff"), would show unto this Court as follows:

1. The Plaintiff is a banking institution organized under the laws of the United States of America, and doing business in Anderson County, South Carolina.
2. Upon information and belief, Defendant Marsha P. Wright ("Defendant M. Wright") is an individual and resident of Anderson County, South Carolina.
3. Upon information and belief, Defendant Richard A. Wright ("Defendant R. Wright") is an individual and resident of Anderson County, South Carolina.
4. This is a mortgage foreclosure on property located in Anderson County, South Carolina.
5. The loan, under which the indebtedness arises, is not subject to modification under the Home Affordable Modification Program (the "HMP") or the HMP Guidelines promulgated by the United States Department of the Treasury dated March 4, 2009, as may be amended or supplemented from time to time.



6. The real property, which is the subject of this foreclosure action, is an "owner-occupied dwelling" as defined by Administrative Order No. 2011-05-02-01, and, it is, therefore, subject to the provisions of the Administrative Order.

7. This Court has jurisdiction over this matter and venue is proper in Anderson County, South Carolina.

8. **THIS IS AN ATTEMPT TO COLLECT A CONSUMER DEBT OWED BY DEFENDANT M. WRIGHT TO THE PLAINTIFF AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. FURTHER, THE NOTICE REQUIRED BY THE FAIR DEBT COLLECTION PRACTICES ACT IS ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY REFERENCE.**

9. On or about January 31, 2007, Defendant M. Wright, for consideration, made, executed and delivered that certain Promissory Note (the "Note"), payable to the order of the Plaintiff in the original principal sum of Four Hundred Sixty-Eight Thousand Nine Hundred Twelve and 00/100 Dollars (\$468,912.00), together with interest as provided in the Note. The Note has been modified by those certain Extension Agreements dated April 15, 2008; July 22, 2008; January 22, 2009; and January 22, 2010. A true copy of the Note is attached hereto as Exhibit "B" and incorporated herein by reference.

10. To secure payment of the indebtedness evidenced by the Note, in accordance with the terms and conditions thereof, Defendants M. Wright and R. Wright, on or about January 31, 2007, made, executed and delivered to the Plaintiff a Mortgage

("Mortgage"), whereby said Defendants mortgaged certain real property located in Anderson County (the "Mortgaged Premises")¹ described as follows:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the ROD Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the ROD Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

The above described property is subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

DERIVATION: This is a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by Deed from Dale S. Rogers dated 2/25/00 and recorded 3/09/00 in Deed Book 3673, at Page 89, in the ROD Office for Anderson County, South Carolina².

TMS NO.: 188-00-11-020

PROPERTY ADDRESS: Old Mill Road, Anderson County, South Carolina

¹ In addition to the foregoing property, the Mortgage also granted the Plaintiff a mortgage lien on other property owned by the Defendants in Anderson County (the "Additional Property"). The Plaintiff filed a separate foreclosure action, which is pending in Anderson County, to foreclose its mortgage lien on the Additional Property.

² The derivation clause of the Legal Description contained in the Mortgage has a scrivener's error, which incorrectly states that the Deed conveying the property to the Defendants was recorded in the ROD Office for "Greenville County." The correct reference should be "Anderson County." The correction is made herein to correctly state Anderson County as the recording county for the Deed of conveyance to the Defendants.

11. The Mortgage was filed and recorded in the Office of the Register of Deeds for Anderson County on March 22, 2007, in Book 7917, at Page 36. A true copy of the Mortgage is attached hereto as Exhibit "C" and incorporated herein by reference.

12. The Plaintiff is informed and believes that the Mortgage constitutes a valid second mortgage lien on the Mortgaged Premises, subject only to the first mortgage lien of Wells Fargo Bank, N.A.

13. Defendant M. Wright defaulted on the Note, and the Plaintiff sent written notice of the default to Defendant M. Wright, as required by and conforming to applicable law.

14. On July 12, 2011, the Plaintiff filed a foreclosure action in the Anderson County Court of Common Pleas (the "July Foreclosure Action"), to foreclose its mortgage lien on the Additional Property. The July Foreclosure Action is docketed under Civil Action No. 2011-CP-04-2157. The July Foreclosure Action was referred to the Master-In-Equity for Anderson County, and on September 13, 2011, the Master-In-Equity entered the Master-In-Equity's Order and Judgment of Foreclosure and Sale (the "July Foreclosure Order") wherein the Master-In-Equity made a determination of the amount of the debt due and owing on the Note, and entered judgment on the Note in favor of the Plaintiff in the amount of \$475,618.78 (the "July Foreclosure Judgment"). In addition, the Master-In-Equity ordered the sale of the Additional Property.

15. Pursuant to the July Foreclosure Order, the Additional Property was sold at foreclosure sale on October 4, 2011, with the sale held open for a period of thirty (30) days until November 3, 2011, for upset bids.

16. Upon close of the sale of the Additional Property, the Plaintiff anticipates that the Court will enter a deficiency judgment Order (the "Deficiency Judgment Order")

for the balance of the indebtedness remaining due and owing on the July Foreclosure Judgment, after application of the sales proceeds.

17. The Plaintiff asks that the Court make a determination of the amount the indebtedness remaining due and owing on the Note/July Foreclosure Judgment as set forth in the Deficiency Judgment Order to be entered by the Court in the July Foreclosure Action, and that upon such determination, the amount so found to be due and owing be adopted and incorporated herein, for the purposes of this foreclosure action.

18. The Plaintiff seeks foreclosure of its mortgage lien on the Mortgaged Premises and sale of the Mortgaged Premises.

19. Further, the Plaintiff seeks an award of attorneys' fees and costs incurred in the prosecution of this foreclosure action.

20. Upon sale of the Mortgaged Premises, and after deduction for the costs associated with the sale, the Plaintiff is informed and believes that the sale proceeds be applied, first, to payment of the award of attorneys' fees and costs granted to the Plaintiff in this action, and, second, to reduce the amount of the indebtedness due and owing to the Plaintiff as set forth hereinabove.

21. The Plaintiff is informed and believes that Defendant R. Wright may claim an interest in the Mortgaged Premises by virtue of his ownership interest in the same. Any such interest is subject to being foreclosed as set forth in the Note and the Mortgage.

WHEREFORE, Plaintiff prays:

(a) That the amount due upon the Note/July Foreclosure Judgment and/or Deficiency Judgment Order be ascertained and determined under the direction of the Court;

(b) For an award of reasonable attorneys' fees and costs associated with the

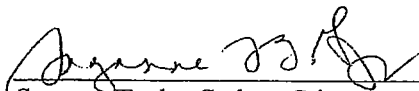
prosecution of this action;

(c) For a judgment of foreclosure for the amount so found to be due and owing to Plaintiff, together with reasonable attorney's fees and the costs of this action;

(d) That the Mortgaged Premises be sold pursuant to Order of this Court, the equity of redemption be barred, and the proceeds of sale be first applied to the costs and expenses of this action, with the remaining proceeds being applied upon Plaintiff's judgment and attorney's fees, and any amount in excess to be held by the Court until further ordered;

(e) That the Defendants and all persons whomsoever claiming by or through the Defendants be forever barred of all right, title and interest of, in and to the Mortgaged Premises, and each and every part thereof; and,

(f) For such other and further relief as the Court may deem just and proper.



Suzanne Taylor Graham Grigg
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
Telephone: 803-771-8900
Facsimile: 803-727-1440
sgrigg@nexsenpruet.com

November 4, 2011
Columbia, South Carolina

Attorneys for Plaintiff Pinnacle Bank of SC

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

Pinnacle Bank of SC,

Plaintiff,

vs.

Marsha P. Wright and Richard A. Wright,

Defendants.

IN THE COURT OF COMMON PLEAS

Case No. 2011-CP-04- 03285

VERIFICATION

Personally appeared before me David W. Weaver, who being duly sworn, says that he is the EVP/Chief Credit Officer of Pinnacle Bank of South Carolina, the Plaintiff in the foregoing action; that he has read the foregoing Verified Complaint; that the statements contained therein are true to the best of his knowledge except those stated to be based upon information and belief, as to which he believes such matters to be true.

David W. Weaver
David W. Weaver

SWORN and subscribed to before me
this 2nd day of November 2011

W. R. Jones (L.S.)
Notary Public for South Carolina
My commission expires 1-31-2017

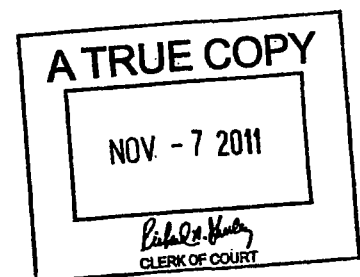


EXHIBIT A
NOTICE REQUIRED BY THE FAIR DEBT
COLLECTION PRACTICES ACT (THE ACT)
15 U.S.C. §§ 1692g, AS AMENDED

1. The amount owed on the aforementioned account that is owed to Pinnacle Bank of SC ("Pinnacle") is \$475,618.78, pursuant to the Master-In-Equity's Order and Judgment of Foreclosure and Sale entered by the Anderson County Clerk of Court on September 13, 2011, under Civil Action No. 2011-CP-04-2157 (the "Judgment Amount"). In addition to the Judgment Amount, Pinnacle is entitled to the costs of litigation, the costs of collection and attorneys' fees incurred in the prosecution of this action. The aforesaid Judgment Amount, plus costs and attorneys' fees awarded in this action, will be reduced by the proceeds from the sale of the real property securing the Note.

2. The debt owed to Pinnacle, the creditor in this action, was incurred as a result of valuable consideration in the form of a mortgage loan provided to Marsha P. Wright.

3. The debt described herein will be assumed to be valid by this law firm, unless you, the debtor, within thirty (30) days after receipt of this Notice, dispute the validity of the debt, or any portion thereof.

4. If you, the debtor, notify this law firm in writing within thirty (30) days of the receipt of this Notice, that the debt or any portion thereof is disputed, this law firm will obtain for you a verification of the debt and a copy of such verification will be mailed to you by this law firm.

5. Further, upon your written request within thirty (30) days of the receipt of this Notice, this law firm will provide you the name and address of the original creditor, if different from the current creditor.

6. Written requests should be addressed to:

Suzanne Taylor Graham Grigg, Esquire
Nexsen Pruet, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
(803) 771-8900

MARSHA P. WRIGHT 2003 OLD MILL ROAD EASLEY, SC 29642	PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29606	LO/APPROVER S01 Loan Number <u>0001137</u> Date <u>01-31-2007</u> Maturity Date <u>04-15-2008</u> Loan Amount \$ <u>468,812.00</u> Renewal Of _____ AFT/BL/COU BILL
Borrower's Name and Address	Lender's Name and Address	
I includes each borrower above, jointly and severally.	*You* means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FOUR HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED TWELVE AND NO/100 Dollars \$ 468,812.00

- ☒ Single Advance: I will receive all of this principal sum on 01-31-2007. No additional advances are contemplated under this note.
- ☐ Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.
- Conditions: The conditions for future advances are _____

☐ Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

☐ Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 01-31-2007 at the rate of 8.500 % per year until 02-01-2007.

- ☒ Variable Rate: This rate may then change as stated below.
- ☒ Index Rate: The future rate will be 0.250 PERCENT ABOVE the following index rate: THE BASE RATE ON CORPORATE LOANS POSTED BY AT LEAST 75% OF THE NATION'S 30 LARGEST BANKS KNOWN AS THE WALL STREET JOURNAL PRIME RATE. THE RESULT OF THIS CALCULATION WILL BE ROUNDED TO THE NEAREST 0.001.
- ☐ No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.
- ☒ Frequency and Timing: The rate on this note may change as often as EVERY DAY BEGINNING 02-01-2007. A change in the interest rate will take effect ON THE SAME DAY.
- ☒ Limitations: During the term of this loan, the applicable annual interest rate will not be more than 18.000% or less than 4.000 %. The rate may not change more than _____ % each _____.
- Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:
- ☒ The amount of each scheduled payment will change. ☒ The amount of the final payment will change.

ACCUAL METHOD: Interest will be calculated on a ACTUAL/365 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

- ☒ on the same fixed or variable rate basis in effect before maturity (as indicated above).
- ☐ at a rate equal to _____.
- ☒ LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF \$8.20 AND A MAX OF \$15.50.
- ☒ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☒ are not included in the principal amount above: ORIGINATION FEE \$3,516.84; APPRAISAL FEES \$550.00; FLOOD CERTS. \$28.00; ADMINISTRATIVE FEE \$150.00.

PAYMENTS: I agree to pay this note as follows:

14 MONTHLY INTEREST PAYMENTS RANGING FROM \$307.56 TO \$3385.18 BEGINNING 02-28-2007 AND 1 PAYMENT OF \$470,877.58 ON 04-15-2008. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE. THE FINAL PAYMENT MAY ALSO CHANGE.

ADDITIONAL TERMS:

☒ SECURITY: This note is separately secured by (describe separate document by type and date):
REAL ESTATE MORTGAGE DATED 01/31/2007

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

James D. Stewart
 JIM STEWART, EVR

PURPOSE: The purpose of this loan is REFINANCE PRIMARY RESIDENCE
HELOC, PURCHASE DAUGHTERS CONDO AND PURCHASE LAND ADJACENT TO PRIMA
 SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Marsha P. Wright
 MARSHA P. WRIGHT

EXHIBIT

UNIVERSAL NOTE

ExperiSM © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN 3/4/2002

(page 1 of 2)

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1, I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

[illegible]

1137

This document was prepared by PINNACLE BANK OF SC P O BOX 6508 GREENVILLE, SC 29608

State of South Carolina

Space Above This Line For Recording Data

MORTGAGE

(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 01-31-2007..... and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: MARSHA P. WRIGHT and Richard A. Wright
2003 OLD MILL ROAD
EASLEY, SC 29642

- ☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: PINNACLE BANK OF SC
ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA
P O BOX 6508
GREENVILLE, SC 29608

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
FIRST REAL ESTATE MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT OLD MILL ROAD, 7 ACRES, TAX # 1880011004, EASLEY, SC 29642;
SECOND MORTGAGE ON PROPERTY AND IMPROVEMENTS LOCATED AT 2003 OLD MILL ROAD, EASLEY, SC 29642.

The property is located in ANDERSON at 2003 OLD MILL ROAD
(County)
..... EASLEY South Carolina 29642
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 468,912.00..... This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument. Interest under the Note will be deferred, accrued or capitalized; however, Mortgagee shall not be required to defer, accrue or capitalize any interest except as provided in the Note.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
MARSHA P. WRIGHT
\$468,912.00
PRIME + .25%
MATURITY 4/15/2008

EXHIBIT C

mpa Xpage [Signature]

B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.

D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.

10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.

Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Mortgage. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

[Handwritten signature] /page 2/

13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
14. **DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment when due. A good faith belief by Lender that the prospect of any payment, performance, or realization on the Property is significantly impaired shall also constitute an event of default.
15. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, reasonable attorneys' fees of not more than 15% of the unpaid debt when it is referred for collection to an attorney who is not a salaried employee of the lender, court costs, and other legal expenses allowed by law. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
17. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
- C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
18. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
19. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

mw (page 2) *RM*

20. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
21. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
22. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
23. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
24. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
25. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.
26. **OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
 - ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
 - ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
 - ☐ **Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check all applicable boxes]
 - ☐ Condominium Rider
 - ☐ Planned Unit Development Rider
 - ☐ Other
 - ☐ **Additional Terms.**

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Marsha P. Wright (Seal) *Richard A. Wright* (Seal)
 (Signature) MARSHA P. WRIGHT (Date) (Signature) RICHARD A. WRIGHT (Date)

Signed, sealed and delivered in the presence of:

[Signature] (Witness) *Debra Murphy* (Witness)

PROBATE:

STATE OF SOUTH CAROLINA, COUNTY OF Anderson } ss.
 Personally appeared before me the undersigned witness who, being duly sworn, deposed and said that (s)he saw the Mortgagor (and each Mortgagor if more than one) sign, seal and deliver the foregoing Mortgage and that (s)he, together with the other witness whose name appears as a witness, witnessed the execution thereof.

Sworn to and subscribed before me this 31st day
 of JANUARY, 2007.

[Signature] (Seal)
 Notary Public for South Carolina
 My commission expires: 6-3-15

Exhibit "A"

Parcel 1:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated January 27, 2007, and recorded in Plat Book 16716, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by deed from John D. Sitton, Jr., and Ruth R. Sitton, as Trustees under the Last Will and Testament of John D. Sitton by deed of Distribution of Deed dated 1/31/07 and recorded 2/7/07 in Deed Book 1841, at Page 85, in the R/D Office for Anderson County, South Carolina.

Parcel 2:

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated as Tract No. 3, containing 9.684 acres, more or less, located on the northwest side of Old Mill Road, according to a plat prepared by Robert R. Spearman, Surveyor, dated 12/16/97 and recorded in Plat Book 876, at Pages 3 and 4, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

LESS HOWEVER, ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, being known and designated 1.00 acre on Old Mill Road according to a plat prepared by Smith Surveyors, Inc., PLS #16133, dated 7/26/01 and recorded in Plat Slide 1249, at Page 6-B, in the R/D Office for Anderson County, South Carolina, reference to said plat being hereby made for a more complete metes and bounds description thereof.

This being a portion of the property conveyed to Richard A. Wright and Marsha P. Wright by deed from Dale S. Rogers dated 2/25/00 and recorded 3/9/00 in Deed Book 3673, at Page 89, in the R/D Office for Greenville County, South Carolina.

The above described properties are subject to any and all easements and/or rights of way for roads, utilities, drainage, etc. as may appear of record and/or on the premises and to any and all restrictions, covenants or zoning ordinances affecting such property as may appear of record.

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Bk: 07917 Pg: 00036 Pages: 005
Rec Fee: 11.00 St Fee:
Co Fee:
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

**DEED
BY
JUDICIAL ORDER
OF
MASTER-IN-EQUITY**

WHEREAS a foreclosure action in the Circuit Court in Anderson County, South Carolina by Pinnacle Bank of SC, Plaintiff, against Marsha P. Wright and Richard A. Wright, Defendants, Case No. 2011-CP-040-2157 was heard by the Honorable Ellis B. Drew, Jr., Master-In-Equity for Anderson County, by an Order of Reference from the Circuit Court; and

WHEREAS the Master-In-Equity did order and decree on September 13, 2011, that the property hereinafter described should be sold at public sale by the said Court on the terms and for the purposes stated in the Master-In-Equity's Order and Judgment of Foreclosure and Sale (the "Order and Decree") filed September 13, 2011; and

WHEREAS the Master-In-Equity, after public advertisement of the said property as required by law, openly and publicly, at public auction, sold the said property for the highest bid received to Pinnacle Bank of SC (the "Grantee") on October 4, 2011, for the credit bid of Seventy-Five Thousand Dollars and 00/100 (\$75,000.00), which sale remained open for upset bids for a period of thirty (30) days with no upset bids having been received, and the Grantee having paid the costs.

NOW, KNOW ALL MEN, that I, the undersigned Master-In-Equity for Anderson County, South Carolina, in consideration of the said bid paid as aforesaid by the Grantee, the receipt of which is hereby acknowledged, have granted, bargained, sold and released, and by these presents, do grant, bargain, sell and release unto said Grantee, its successors and assigns:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Anderson, and being shown as Major portion of Tract #2, containing 8.033 acres, according to a plat prepared by Kevin E. Gaines, P.L.S., dated

January 27, 2007, and recorded in Plat Book 1676, at Page 9, in the R/D Office for Anderson County, SC, reference being hereby made to said plats for a more complete metes and bounds description thereof.

This being the same property conveyed to Richard A. Wright and Marsha P. Wright by Deed of John D. Sitton, Jr., and Ruth R. Sitton Trustees of the John D. Sitton Trust under the terms of the Last and Will and Testament of John D. Sitton recorded on February 7, 2007 in the Office of the Register of Deeds for Anderson County in Deed Book 7841 at Page 185.

TMS No. 188-00-11-033

Property Address:

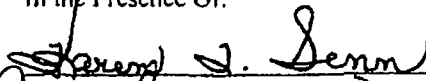
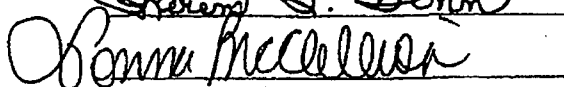
Old Mill Road
Anderson County, SC

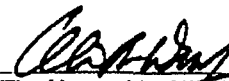
TOGETHER with all and singular the Rights, Members, Hereditaments and Appurtenances to the said premises belonging, or in anywise incident or appertaining; and all the estate, right, title, claim and interest whatsoever of the parties to the cause aforesaid, and each of them, in and to the same, and of all other persons rightfully claiming from, under, or by these or any of them.

TO HAVE AND TO HOLD, all and singular the premises before mentioned unto said Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, I, the Master-In-Equity for Anderson County, South Carolina, under and by virtue of the aforesaid Order and Decree, have here unto set my hand and seal, this 27 day of January, 2012.

SIGNED, SEALED AND DELIVERED
In the Presence Of:


The Honorable Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

PERSONALLY APPEARED before me **Karen T. Senn** and made oath that
s/he saw Ellis B. Drew, Jr., Master-In-Equity for Anderson County, South Carolina, sign, seal
and deliver the within Deed; and, that deponent together with **Donna McClellion**
signed their names as witnesses thereto.

SWORN to and subscribed before me
this 27 day of January 2012

Donna McClellion (L.S.)
Notary Public for South Carolina
My Commission Expires: 4-8-16

)
)
) *Karen T. Senn*
) Witness
)
)

ENTER IN GRANTOR INDEX:

Ellis B. Drew, Jr.
Master-In-Equity for Anderson County

ENTER IN GRANTEE INDEX:

Pinnacle Bank of South Carolina
ATTN: David W. Weaver
P.O. Box 6508
Greenville, SC 29606

RETURN TO:

Suzanne Taylor Graham Grigg, Esquire
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
Attorney for Anderson Brothers Bank

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

AFFIDAVIT

Page 1 of 2

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

1. I have read the information on this affidavit and I understand such information.
2. The property being transferred is located at Old Mill Road, Anderson County, SC, bearing Anderson County Parcel Number 188-00-11-033. The property was transferred by Deed of The Master-In-Equity for Anderson County, S.C. to Pinnacle Bank of SC on January 27, 2012.
3. Check one of the following: The deed is
 - (a) _____ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
 - (b) _____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
 - (c) X _____ exempt from the deed recording fee under exemption #13(See Information section of affidavit):
Grantee is the Plaintiff in an equity action of foreclosure
(If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.)
4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):
 - (a) _____ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \$ _____.
 - (b) _____ The fee is computed on the fair market value of the realty which is _____.
 - (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.
5. Check Yes ___ or No ___ to the following: A lien or encumbrance on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is: _____.
6. The deed recording fee is computed as follows:
 - (a) Place the amount listed in item 4 above here: _____
 - (b) Place the amount listed in item 5 above here: _____
(If no amount is listed, place zero here.)
 - (c) Subtract Line 6(b) from Line 6(a) and place result here: \$ _____
7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: \$ _____.
8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Attorney for Pinnacle Bank of SC.
9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

SWORN to before me this 10th

day of February, 2012

Notary Public for South Carolina

My Commission Expires: 3/15/20

Suzanne Taylor Graham Grigg
Responsible Person Connected with the Transaction

Suzanne Taylor Graham Grigg, Esquire
Print or Type Name Here

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
- (7) that constitute a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
- (9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any of the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- (11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership;
- (12) that constitute a corrective deed or a quitclaim used to confirm title vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed;
- (13) transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagee or deed pursuant to foreclosure proceedings;
- (14) transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty; and
- (15) transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivisions to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S.C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined in the Federal Power Act.

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 Co Fee: EXEMPT
 REGISTER OF DEEDS, ANDERSON CO, SC
 Shirley McElhannon

STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM ANDERSON COUNTY
Master in Equity

The Honorable Ellis B. Drew, Jr., Master in Equity

C.A. No. 2011-CP-04-02157

RECEIVED
FEB 20 2013
SC Court of Appeals

Pinnacle Bank of SC,

Respondent,

v.

Marsha P. Wright and Richard A. Wright

Appellants,

CERIFICATE OF COUNSEL

The undersigned hereby certifies that this Record on Appeal contains all materials proposed to be included by any of the parties and not any other material.

Wendell L. Hawkins, PA

Wendell L. Hawkins, Esq., SC Bar 13583
Aimee V. Leary, Esq., SC Bar 100657
103-C Regency Commons Drive
Greer, South Carolina 29650
(864) 848-9370 P (864) 848-9759 F
wlh@wlhawkinslawfirm.com
avl@wlhawkinslawfirm.com
Attorneys for the Appellant

Greer, South Carolina
February 7, 2013

**STATE OF SOUTH CAROLINA
In the Court of Appeals**

**APPEAL FROM ANDERSON COUNTY
Master in Equity**

The Honorable Ellis B. Drew, Jr., Master in Equity

C.A. No. 2011-CP-04-02157

RECEIVED

FEB 20 2013

SC Court of Appeals

Pinnacle Bank of SC,

Respondent,

v.

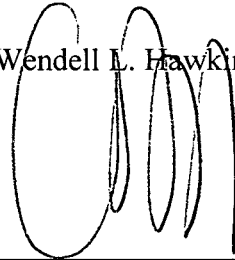
Marsha P. Wright and Richard A. Wright

Appellants,

CERTIFICATE OF COMPLIANCE

The undersigned hereby certifies that this Record on Appeal complies with Supreme Court Order dated August 13, 2007, regarding personal identifiers and sensitive information.

Wendell L. Hawkins, PA



Wendell L. Hawkins, Esq., SC Bar 13583
Aimee V. Leary, Esq., SC Bar 100657
103-C Regency Commons Drive
Greer, South Carolina 29650
(864) 848-9370 P (864) 848-9759 F
wlh@wlhawkinslawfirm.com
avl@wlhawkinslawfirm.com
Attorneys for the Appellant

Greer, South Carolina
February 1, 2013

STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM ANDERSON COUNTY
Master in Equity

The Honorable Ellis B. Drew, Jr., Master in Equity

C.A. No. 2012-CP-04-02157

Pinnacle Bank, SC, ...Respondent,

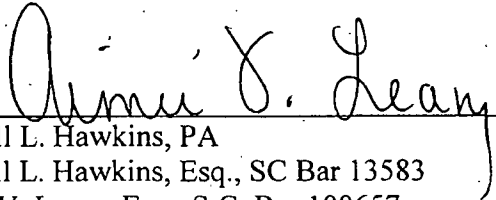
v.

Marsha P. Wright and Richard A Wright, ...Appellants.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Record on Appeal with this Certificate of Service were served upon counsel on February 11, 2013 by First Class Mail as follows:

Val Stieglitz, Esq.
Jennifer J. Hollingsworth, Esq.
Tanya A. Gee, Esq.
Nexsen Pruet, LLC
1230 Main St., Ste 700
Columbia, South Carolina 29201


Wendell L. Hawkins, PA
Wendell L. Hawkins, Esq., SC Bar 13583
Aimee V. Leary, Esq., S.C. Bar 100657
103-C Regency Commons Dr. Greer, SC 29650
(864) 848-9370 Phone (864) 848-9759 Fax
wlh@wlhawkinslawfirm.com
avl@wlhawkinslawfirm.com
Attorneys for the Appellants

RECEIVED

FEB 20 2013

SC Court of Appeals