THE STATE OF SOUTH CAROLINA
In the Court of Appeals

24542

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas
Joseph F. Strickland, Master in Equity Judge

Case No. 2018-00251

South State Bank, Respondent,

v.

Sand Dollar 31, LLC, and Rhonda Meisner,

of whom Rhonda Meisner is Appellant.

RECEIVED
SEP 06 2019
SC Court of Appeals

RECORD ON APPEAL VOLUME I

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, vs. Sand Dollar 31, LLC; Rhonda Meisner; Defendants.	IN THE COURT OF COMMON PLEAS Civil Action# 2011-CP-40-6317 and 2011-CP-40-6318 ORDER

WHEREAS, this matter came before the Court at a hearing on May 29, 2018, concerning the "Motion to Alter and Amend Pursuant to S.C.R.C.P. Rule 59(e)" filed herein on May 14, 2018, by Defendant Rhonda Meisner ("Meisner");

WHEREAS, the Court, having fully considered the arguments set forth in the motion and the arguments of the parties at the hearing, finds no abuse of its discretion in entering the Order Lifting Automatic Stay in these cases on April 30, 2018, and that such an order was justified;

NOW, THEREFORE, it is ordered that:

1. The "Motion to Alter and Amend Pursuant to S.C.R.C.P. Rule 59(e)" filed by Defendant Rhonda Meisner herein on May 14, 2018, is denied.

AND IT IS SO ORDERED.

[Court's signature page to follow]

ELECTRONICALLY FILED - 2018 Jul 19 8:45 AM - RICHLAND - COMMON PLEAS - CASE#2011CP406318

1

ELECTRONICALLY FILED - 2018 Jul 19 8:45 AM - RICHLAND - COMMON PLEAS - CASE#2011CP4006318

Richland Common Pleas

Case Caption: SCBT N A vs Sand Dollar 31 LLC

Case Number: 2011CP4006318

Type: Master/Order/Other

It is so Ordered

s/Joseph M. Strickland, 3055

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, vs. Sand Dollar 31, LLC; Rhonda Meisner; Defendants.	IN THE COURT OF COMMON PLEAS Civil Action# 2011-CP-40-06317 ORDER LIFTING AUTOMATIC STAY

WHEREAS, Plaintiff SCBT, N.A. n/k/a South State Bank ("Plaintiff") has moved the Court pursuant to Rule 241, SCACR, and Rule 62, SCRCP, for permission for Plaintiff to file, or for the Court to file, the opinion letter from Eugene Garvin dated August 30, 2017;

WHEREAS, in Paragraph 4 of the order section of the Order Denying Motion to Alter or Amend and Entering Deficiency Judgments filed in this action on December 28, 2017, the Court had already ordered that this opinion letter be filed of record in this action, but that filing never occurred;

WHEREAS, although Defendant Rhonda Meisner ("Meisner") has served a Notice of Appeal from this order, the filing of this opinion letter at this time would be merely the carrying out of a clerical or ministerial task ordered before the appeal, and this task in no way furthers the matters already adjudicated or the relief provided for by the order being appealed. *See Jacobs v. Serv. Merch. Co.*, 297 S.C. 123, 132, 375 S.E.2d 1, 6 (Ct. App. 1988) ("After the filing of a Notice of Intent to Appeal, the circuit court's jurisdiction over the appealed order extended only to correction of clerical errors.");

NOW, THEREFORE, it is ordered that:

1. The automatic stay is lifted for purposes of permitting Plaintiff to file the opinion letter from Eugene Garvin dated August 30, 2017, with the Clerk of Court for Richland County in this action.

AND IT IS SO ORDERED.

[Court's signature page to follow]

ELECTRONICALLY FILED - 2018 Apr 30 12:56 PM - RICHLAND - COMMON PLEAS - CASE#2011CP4006317

3

ELECTRONICALLY FILED - 2018 Apr 30 12:56 PM - RICHLAND - COMMON PLEAS - CASE#2011CP4006317

Richland Common Pleas

Case Caption: SCBT N A vs Sand Dollar 31 LLC

Case Number: 2011CP4006317

Type: Order/Lift Automatic Stay

It is so Ordered

s/Joseph M. Strickland, 3055

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, vs. Sand Dollar 31, LLC; Rhonda Meisner; Defendants.	IN THE COURT OF COMMON PLEAS Civil Action# 2011-CP-40-06318 ORDER LIFTING AUTOMATIC STAY

WHEREAS, Plaintiff SCBT, N.A. n/k/a South State Bank ("Plaintiff") has moved the Court pursuant to Rule 241, SCACR, and Rule 62, SCRCP, for permission for Plaintiff to file, or for the Court to file, the opinion letter from Eugene Garvin dated August 30, 2017;

WHEREAS, in Paragraph 4 of the order section of the Order Denying Motion to Alter or Amend and Entering Deficiency Judgments filed in this action on December 28, 2017, the Court had already ordered that this opinion letter be filed of record in this action, but that filing never occurred;

WHEREAS, although Defendant Rhonda Meisner ("Meisner") has served a Notice of Appeal from this order, the filing of this opinion letter at this time would be merely the carrying out of a clerical or ministerial task ordered before the appeal, and this task in no way furthers the matters already adjudicated or the relief provided for by the order being appealed. *See Jacobs v. Serv. Merch. Co.*, 297 S.C. 123, 132, 375 S.E.2d 1, 6 (Ct. App. 1988) ("After the filing of a Notice of Intent to Appeal, the circuit court's jurisdiction over the appealed order extended only to correction of clerical errors.");

NOW, THEREFORE, it is ordered that:

1. The automatic stay is lifted for purposes of permitting Plaintiff to file the opinion letter from Eugene Garvin dated August 30, 2017, with the Clerk of Court for Richland County in this action.

AND IT IS SO ORDERED.

[Court's signature page to follow]

ELECTRONICALLY FILED - 2018 Apr 30 12:55 PM - RICHLAND - COMMON PLEAS - CASE#2011CP400318

5

ELECTRONICALLY FILED - 2018 Apr 30 12:55 PM - RICHLAND - COMMON PLEAS - CASE#2011CP4006318



Richland Common Pleas

Case Caption: SCBT N A vs Sand Dollar 31 LLC

Case Number: 2011CP4006318

Type: Order/Lift Automatic Stay

It is so Ordered

s/Joseph M. Strickland, 3055

FORM 4

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

JUDGMENT IN A CIVIL CASE

CASE NO. 2011-CP-40-06317

SCBT, N.A.
PLAINTIFF(S)

Sand Dollar 31, LLC; Rhonda Meisner,
DEFENDANT(S)

Submitted by: Sean M. Foerster (SC Bar# 77466) Rogers Townsend & Thomas, P.C. 1221 Main Street, 14th Floor (29201) P. O. Box 100200 Columbia, South Carolina 29202	**Attorney for :** ☒ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

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

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

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

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

☐ **STAYED DUE TO BANKRUPTCY**

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

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

FILED
2017 DEC 28 PM 2:11
JEANETTE W. McGRIDY, C.C.P. & G.S.
RICHLAND COUNTY

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

ORDER INFORMATION

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

INFORMATION FOR THE JUDGMENT INDEX

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

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
SCBT, N.A.	Sand Dollar 31, LLC	$38,733.92
SCBT, N.A.	Rhonda Meisner	$38,733.92
		$

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

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest

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or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**
E-Filing Note: In E-Filing counties, the Court will electronically sign this form using a separate electronic signature page.

Master in Equity	2097	Dec. 18, 2017
	Judge Code	**Date**

For Clerk of Court Office Use Only

This judgment was entered on the day of , 2017 and a copy mailed first class or placed in the appropriate attorney's box on this day of , 2017 to attorneys of record or to parties (when appearing pro se) as follows:

Sean M. Foerster
Rogers Townsend & Thomas, P.C.
P. O. Box 100200
Columbia, South Carolina 29202
ATTORNEY(S) FOR THE PLAINTIFF(S)

Glenn E. Bowens, Esquire
PO Box 424
Winnsboro, SC 129180
ATTORNEY(S) FOR THE DEFENDANT(S)

Rhonda L. Meisner, *pro se*
Post Office Box 689
Blythewood, South Carolina 29016

CLERK OF COURT

Court Reporter:

E-Filing Note: In E-Filing counties, the date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgement to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.

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

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

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

vs.

Sand Dollar 31, LLC; Rhonda Meisner,

Defendants.

RECEIVED
FEB 20 2018
SC Court of Appeals

IN THE COURT OF COMMON PLEAS

DOCKET NOS.: 2011-CP-40-06317 and 2011-CP-40-06318

ORDER DENYING MOTION TO ALTER OR AMEND AND ENTERING DEFICIENCY JUDGMENTS

These cases came before the Court at a hearing on October 5, 2017, on the following matters:

- The "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence" filed by Defendant Rhonda Meisner ("Meisner") herein on August 8, 2017;
- The reasonableness of the attorney's fees awards in the Judgments of Foreclosure and Sale entered in both cases, which issue had been previously taken under advisement but never ruled upon after hearings on the issue on July 27, 2016, and on February 1, 2017; and
- The report of the appraisers required by the Order entered on July 27, 2017, for purposes of establishing the deficiency judgment amounts to be entered against Meisner in accordance with the Appraisal Rights Statutes (S.C. Code Ann § 29-3-680 *et seq.*).

Sean M. Foerster, Esquire, appeared on behalf of Plaintiff SCBT, N.A., which is now known as South State Bank ("Plaintiff"). Glenn E. Bowens, Esquire, appeared on behalf of Defendant Sand Dollar 31, LLC ("Sand Dollar 31"). Meisner appeared *pro se*.

The Court also takes this opportunity to vacate an administrative dismissal entered in both cases on September 12, 2017.

Relevant Facts

The facts relevant to the matters before the Court at this time are as follows:

1. Motion to Alter or Amend.

Meisner's motion to alter or amend asks the Court to reconsider its Order entered on July 27, 2017, denying her motion to amend her answer to add counterclaims and ordering an appraisal of the properties at issue in these two foreclosure actions for purposes of determining the deficiency judgment amounts to be entered against her.

As grounds for her motion, Meisner contends:

- Plaintiff should be judicially estopped from taking a position as to the value of the properties that differs from the position stated in Plaintiff's Motion to Vacate Foreclosure Sale filed on September 6, 2012, but which motion Plaintiff withdrew on July 10, 2014;
- Plaintiff did not timely designate its appraiser, Eugene Garvin. While Meisner cannot refute that Plaintiff designated its appraiser by letter to the Court dated August 17, 2012, she contends this designation is ineffective because it is outside of the court records;
- The Court never ruled on Meisner's declaratory judgment counterclaim to determine the rights and obligations of Meisner under the notes, mortgages, and guaranty agreements in both cases; and
- The Court never ruled on the issue of whether Meisner signed the guaranty agreements for the mortgage loans at issue in her individual capacity.

2. Attorney's Fee Awards.

On May 16, 2012, the Court entered Judgments of Foreclosure and Sale in both of these cases. In civil action # 2011-CP-40-6317, the Court awarded Plaintiff $6,000 in attorney's fees. In civil action # 2011-CP-40-63118, the Court awarded Plaintiff $8,000 in attorney's fees.

Meisner appealed from both judgments. On December 3, 2014, the South Carolina Court of Appeals entered an opinion affirming the Court on all issues raised in Meisner's appeal except for the award of attorney's fees to Plaintiff in both foreclosures, stating in the opinion, "[W]e remand this case so the master can award reasonable attorney's fees."

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On July 27, 2016, per the instruction from the Court of Appeals, the Court held a remand hearing to award reasonable attorney's fees in both cases. At the hearing, Plaintiff's counsel submitted to the Court the following affidavits[1]:

- For civil action # 2011-CP-40-6317, an Affidavit of Attorney's Fees signed by Teri K. Stomski seeking an award of $6,000 in attorney's fees to Plaintiff, and an Affidavit of Sean M. Foerster authenticating certain billing records of Plaintiff's counsel showing that Plaintiff incurred over $6,000 in attorney's fees through the date of the second foreclosure sale and almost $16,000 in attorney's fees through the date that Meisner filed her appeal;
- For civil action # 2011-CP-40-6318, an Affidavit of Attorney's Fees signed by Teri K. Stomski seeking an award of $8,000 in attorney's fees to Plaintiff, and an Affidavit of Sean M. Foerster authenticating certain billing records of Plaintiff's counsel showing that Plaintiff incurred over $9,000 in attorney's fees through the date of the second foreclosure sale and over $18,000 in attorney's fees through the date that Meisner filed her appeal.

The Court took the issue of attorney's fees under advisement at the conclusion of the remand hearing to give Meisner time to file her objections to the affidavits supplied by Plaintiff's counsel.

On August 19, 2016, Meisner filed an "Objection to Attorney's Fees Affidavit Submitted at the July 27, 2016 Hearing," complaining of the content and timing of the affidavits supplied by Plaintiff's counsel.

On February 1, 2017, the Court again heard arguments from the parties concerning the reasonableness of the attorney's fee amounts awarded in both cases, and again took the issue under advisement.

3. Return of Appraisers.

On May 16, 2012, the Court entered Judgments of Foreclosure and Sale in both of these cases in the following amounts: $63,734.92 in civil action # 2011-CP-40-6317 and $43,220.45 in civil action # 2011-CP-40-6318.

[1] Both sets of affidavits were filed in their respective cases on November 23, 2016.

On June 4, 2012, the subject properties were sold at a foreclosure sale. Because Plaintiff demanded deficiency judgments in both cases, the subject properties went to a second sale on July 5, 2012.

In civil action # 2011-CP-40-6317, the property at 4824 Linden Street, Columbia, South Carolina 29203, sold at the second sale to SCORE LLC for $25,001.00.

In civil action # 2011-CP-40-6318, the property at 8391 Winnsboro Road, Blythewood, SC, sold at the second sale to SCORE LLC for $10,501.00.

On July 31, 2012, Meisner filed a "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" in both actions in which she sought an order of appraisal under S.C. Code Ann. § 29-3-680 to 29-3-770 ("Appraisal Rights Statutes"). While this petition purported to be on behalf of both Meisner and Sand Dollar 31, it was signed and filed by only Meisner, who was not a licensed attorney. It was not signed or filed by Glenn E. Bowens, Esquire, counsel of record for Sand Dollar 31 at the time.

By Order entered herein on July 27, 2017, the Court granted Meisner's "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" in both actions. The Court ordered Plaintiff's designated appraiser, Eugene Garvin, and Meisner's designated appraiser, Angela Buckley, to convene and try to agree on the value of the two properties at issue in these foreclosure actions as of the time of the second foreclosure sale, and for the parties to then provide the Court with a copy of the appraisers' opinions. The Court further ordered that if the appraisers could not agree on the values of the two properties, it would hold a follow-up hearing on the matter and decide how to proceed with the appraisal process.

By letter dated September 1, 2017, Plaintiff's counsel submitted to the Court a letter from Eugene Garvin dated August 30, 2017, which purported to set forth the opinions of both appraisers as to the value of the two properties. Also enclosed with Mr. Garvin's letter were his appraisal reports for both properties. According to Mr. Garvin's letter, the appraisers' opinions as to the value of each property as of the time of the second foreclosure sale are as follows:

- For civil action # 2011-CP-40-6317 concerning the property at 4824 Linden Street, Mr. Garvin determined the property to be worth $25,000 "as is." Ms. Buckley determined the property to be worth $31,000 "subject to" repairs in the amount of $12,080, or $18,920 "as is."

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- For civil action # 2011-CP-40-6318 concerning the property at 8391 Winnsboro Road, Mr. Garvin determined the property to be worth $16,000 "as is." Ms. Buckley determined the property to be worth $20,000 "subject to" repairs in the amount of $4,530, or $15,470 "as is."

Neither Meisner nor Ms. Buckley ever submitted any documents to the Court to support or refute Ms. Buckley's value of the two properties as set forth in Mr. Garvin's letter.

4. Administrative Dismissal.

During Richland County's recent transition to the electronic case management system, it was discovered that the records of the South Carolina Court Administration inaccurately showed several thousand closed cases as still pending with this Court due to a computer glitch. In response, the Court entered an Omnibus Order of Dismissal Without Prejudice on September 12, 2017, that dismissed several thousand cases. These two cases were inadvertently affected by the Omnibus Order, and the Clerk of Court entered administrative dismissals in the public index of each case on September 12, 2017.

Conclusions of Law

The Court finds and concludes as follows:

1. Meisner's motion to alter or amend is denied.

The Court declines to alter or amend its Order entered on July 27, 2017, because the order is not controlled by an error of law or based on factual conclusions without evidentiary support.

"A party *may* wish to file such a motion [under Rule 59(e)] when she believes the court has misunderstood, failed to fully consider, or perhaps failed to rule on an argument or issue, and the party wishes for the court to reconsider or rule on it." *Elam v. S.C. DOT*, 361 S.C. 9, 24, 602 S.E.2d 772, 780 (2004). "There is nothing inherently unfair in allowing a party one final chance not only to call the court's attention to a possible misapprehension of an earlier argument, but also to revisit a previously raised argument." *Id.* at 22, 602 S.E.2d at 779.

With respect to Meisner's judicial estoppel argument, the Court did not misunderstand or fail to fully consider Meisner's previous arguments on this issue. The Plaintiff is not bound by any position taken in its Motion to Vacate Foreclosure Sale since the motion was voluntarily withdrawn before being ruled upon.

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With respect to the timeliness of Plaintiff's designation of its appraiser, the Court finds no error in its prior order. "[W]ithin ten days after service of a copy of the order upon the judgment creditor or his attorney of record he shall designate to the clerk another appraiser..." S.C. Code Ann. § 29-3-710 (emphasis added). Plaintiff designated its appraiser by letter to the Court dated August 17, 2012—five years prior to the Order of July 27, 2017. Further, it is clear on the face of the Order of July 27, 2017, that Plaintiff had already designated its appraiser before the entry of that order. Therefore, Plaintiff's designation of its appraiser was timely as it was made well before ten days after service of a copy of the Order of July 27, 2017.

With respect to Meisner's declaratory judgment counterclaim concerning her obligations under the loan documents and whether Meisner signed the guaranty agreements in her individual capacity, these issues have been fully adjudicated. The Judgments of Foreclosure and Sale entered in both of these cases on May 16, 2012, concluded that Meisner was personally liable for the mortgage debt in each case based on her signing the guaranty agreements for each loan and accordingly entered personal judgments against her. The Court of Appeals affirmed the Judgments of Foreclosure and Sale on that issue. Meisner's motion with respect to this issue is therefore untimely.

For these reasons, the Court denies Meisner's "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence."

2. The prior attorney's fee awards were reasonable.

The award of attorney's fees set forth in the Judgments of Foreclosure and Sale entered in each case on May 16, 2012, are hereby affirmed.

"Where there is a contract, the award of attorney's fees is left to the discretion of the trial judge and will not be disturbed unless an abuse of discretion is shown." *United States Bank Tr. Nat'l Ass'n v. Bell*, 385 S.C. 364, 379-80, 684 S.E.2d 199, 207 (Ct. App. 2009). "There are six factors to consider in determining an award of attorney's fees: 1) nature, extent, and difficulty of the legal services rendered; 2) time and labor devoted to the case; 3) professional standing of counsel; 4) contingency of compensation; 5) fee customarily charged in the locality for similar services; and 6) beneficial results obtained." *Blumberg v. Nealco*, 427 S.E.2d 659, 660 (S.C. 1993).

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The Court of Appeals charged this Court to "award reasonable attorney's fees." Based on the affidavits of Teri K. Stomski and Sean M. Foerster supplied by Plaintiff's counsel for each case, the Court confirms its previous awards of reasonable attorney's fees set forth in the Judgments of Foreclosure and Sale in each case. The Court finds that the fees awarded are reasonable in relation to the services performed and anticipated to be performed until final adjudication of these actions. The fees are likewise reasonable based on the time that Plaintiff's counsel necessarily devoted to the representation of Plaintiff during the several year course of these proceedings. The services of Plaintiff's counsel performed for Plaintiff, which include the number and types of pleadings and documents prepared, the incumbent liabilities, and the difficulties involved in these particular cases also support the fees awarded. The fees awarded are reasonable given the professional standing of Plaintiff's counsel and their experience in handling foreclosure matters. The fees awarded are also reasonable in light of the fees customarily awarded by this Court for similar services in this locality. Finally, the efforts of Plaintiff's counsel have had the beneficial result of a successful foreclosure of the mortgages in these two cases, which further justifies the fee awards.

3. Deficiency judgments shall be entered based on S.C. Code Ann. § 29-3-740.

The Court adopts the opinion letter from Eugene Garvin dated August 30, 2017, with the reports attached thereto, as the Return of Appraisers and hereby enters deficiency judgments in both cases against Meisner in accordance with S.C. Code Ann. § 29-3-740.

"The board of appraisers as so constituted shall proceed to view and value the mortgaged property and all or a majority thereof shall make a sworn return within thirty days from their appointment of the true value of the property as of the date of sale, taking into consideration sale value, cost and replacement value of improvements, income production and all other proper elements which, in their discretion, enter into the determination of true value." S.C. Code Ann. § 29-3-720.

"The return of the appraisers shall be filed and recorded by the clerk as a judgment of the court and be subject to appeal as hereinafter provided." S.C. Code Ann. § 29-3-740.

"If the value returned after deduction therefrom of the amount of the price at which the property was sold under direction of the court be equal to or exceed the amount of the deficiency remaining upon the judgment after application of the net proceeds of sale the judgment shall be thereupon extinguished and cancelled of record by the clerk and if such returned value, after

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deduction of the amount of the sale price, be less than the deficiency the latter shall be abated and deemed paid, pro tanto, and be thereafter enforceable for only the remainder..." *Id.*

For civil action # 2011-CP-40-6317 concerning the property at 4824 Linden Street, Mr. Garvin determined the "as is" value of the property to be $25,000. Ms. Buckley determined the "as is" value of the property to be $18,920.[2] Because both valuations are lower than the $25,001 sale price at the second foreclosure sale, the deficiency judgment entered against Meisner in civil action # 2011-CP-40-6317 shall be determined based on that foreclosure sale price. After deducting the $25,001 foreclosure sale price from the foreclosure judgment amount of $63,734.92, there remains a deficiency owed by Meisner in the amount of $38,733.92 in civil action # 2011-CP-40-6317.

For civil action # 2011-CP-40-6318 concerning the property at 8391 Winnsboro Road, Mr. Garvin determined the "as is" value of the property to be $16,000 and Ms. Buckley determined the "as is" value of the property to be $15,470.[3] Both valuations are higher than the $10,501.00 sale price at the second foreclosure sale. To the benefit of Meisner, and because neither Meisner nor Ms. Buckley ever submitted any documents to the Court to support Ms. Buckley's valuation of this property as required by the Order of July 27, 2017, the deficiency judgment entered against Meisner in civil action # 2011-CP-40-6318 shall be determined based on Mr. Garvin's valuation of $16,000. After deducting the $16,000 appraisal value from the foreclosure judgment amount of $43,220.45, there remains a deficiency owed by Meisner in the amount of $27,220.45 in civil action # 2011-CP-40-6318.

With respect to Sand Dollar 31, the Court finds that it failed to timely petition for an order of appraisal. "In any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked, whether he has theretofore appeared in the action or not, may within thirty days after the sale of the mortgaged property apply by verified petition to the

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[2] The Court declines to adopt Ms. Buckley's valuation of $31,000 "subject to" repairs in the amount of $12,080 because there is no evidence before the Court that such repairs had been made to the subject property as of the date of the second foreclosure sale and neither Meisner nor Ms. Buckley ever submitted any documents to the Court as required by the Order of July 27, 2017, to support this valuation.

[3] The Court declines to adopt Ms. Buckley's valuation of $20,000 "subject to" repairs in the amount of $4,530 because there is no evidence before the Court that such repairs had been made to the subject property as of the date of the second foreclosure sale and neither Meisner nor Ms. Buckley ever submitted any documents to the Court as required by the Order of July 27, 2017, to support this valuation.

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clerk of court in which the decree or order of sale was taken for an order of appraisal." S.C. Code Ann. § 29-3-680(A).

Meisner's "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" filed on July 31, 2012, was ineffectual as to Sand Dollar 31 because Meisner, a non-lawyer, was prohibited by law from representing this entity. *Renaissance Enters., Inc. v. Summit Teleservices, Inc.*, 334 S.C. 649, 651-53, 515 S.E.2d 257, 258-59 (1999)("We now hold a non-lawyer cannot represent a corporation in circuit or appellate courts ...a corporation may appear pro se only in magistrate's court."). Therefore, the deficiency judgment amounts to be entered against Sand Dollar 31 in both cases shall be based on the difference between the total judgment amount listed in each Judgment of Foreclosure and Sale and the second foreclosure sale price of each property.

After deducting the $25,001 foreclosure sale price from the foreclosure judgment amount of $63,734.92 in civil action # 2011-CP-40-6317, there remains a deficiency owed by Sand Dollar 31 in the amount of $38,733.92 in that action. After deducting the $10,501 foreclosure sale price from the foreclosure judgment amount of $43,220.45 in civil action # 2011-CP-40-6318, there remains a deficiency owed by Sand Dollar 31 in the amount of $32,719.45 in that action.

4. The administrative dismissals of these two cases are vacated.

Because these two cases still had pending issues to resolve at the time of the Omnibus Order of Dismissal Without Prejudice on September 12, 2017, they should not have been administratively dismissed. The Court therefore vacates the administrative dismissals of these two cases.

NOW, THEREFORE, it is ordered that:

1. The administrative dismissals entered in both cases on September 12, 2017, are vacated;

2. The "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence" of Defendant Rhonda Meisner filed herein on August 8, 2017, is denied;

3. The award of attorney's fees set forth in the Judgments of Foreclosure and Sale entered in each case on May 16, 2012, are hereby affirmed in the amounts of $6,000 in civil action # 2011-CP-40-6317 and $8,000 in civil action # 2011-CP-40-6318;

4. The total judgment amounts set forth in the Judgments of Foreclosure and Sale entered in each on May 16, 2012, are hereby affirmed in the amounts of $63,734.92 in civil action # 2011-CP-40-6317 and $43,220.45 in civil action # 2011-CP-40-6318, plus interest as set forth in those judgments;

5. The opinion letter from Eugene Garvin dated August 30, 2017, shall be filed and treated as the Return of Appraisers;

6. For civil action # 2011-CP-40-6317, deficiency judgment is entered against Defendant Rhonda Meisner in the amount of $38,733.92 plus interest at the legal rate for judgments;

7. For civil action # 2011-CP-40-6318, deficiency judgment is entered against Defendant Rhonda Meisner in the amount of $27,220.45 plus interest at the legal rate for judgments;

8. For civil action # 2011-CP-40-6317, deficiency judgment is entered against Defendant Sand Dollar 31, LLC, in the amount of $38,733.92 plus interest at the legal rate for judgments;

9. For civil action # 2011-CP-40-6318, deficiency judgment is entered against Defendant Sand Dollar 31, LLC, in the amount of $32,719.45 plus interest at the legal rate for judgments; and

10. This case is ended.

AND IT IS SO ORDERED.

Joseph M. Strickland
Master in Equity for Richland County

December 18, 2017

FORM 4

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

JUDGMENT IN CIVIL CASE

CASE NO. 2011-CP-40-06318

SCBT, N.A.

PLAINTIFF(S)

Sand Dollar 31, LLC; Rhonda Meisner,

DEFENDANT(S)

Submitted by:	Attorney for : ☒ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant
Sean M. Foerster (SC Bar# 77466) Rogers Townsend & Thomas, P.C. 1221 Main Street, 14th Floor (29201) P. O. Box 100200 Columbia, South Carolina 29202	

DISPOSITION TYPE (CHECK ONE)

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

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

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

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

☐ **STAYED DUE TO BANKRUPTCY**

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

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

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

ORDER INFORMATION

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

FILED
2017 DEC 28 PM 2:11
JEANNETTE W. McBRIDE
C.C.P. & G.S.
RICHLAND COUNTY, S.C.

CLOCKED IN ERROR

FILED
2018 DEC 8 PM 3:46
JEANNETTE W. McBRIDE
C.C.P. & G.S.
RICHLAND COUNTY, S.C.

INFORMATION FOR THE JUDGMENT INDEX

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

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
SCBT, N.A.	Sand Dollar 31, LLC	$32,719.45
SCBT, N.A.	Rhonda Meisner	$27,220.45
		$

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

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest

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or additional taxable costs not avai[illegible] at the time the form and final order are submitt[illegible] the judge may be provided to the clerk. Note: Title abstractors and [illegible]rchers should refer to the official court order [illegible]dgment details.
E-Filing Note: In E-Filing counties, the Court will electronically sign this form using a separate electronic signature page.

Master in Equity | 2097 Judge Code | Dec. 18, 2017 Date

For Clerk of Court Office Use Only

This judgment was entered on the day of , 2017 and a copy mailed first class or placed in the appropriate attorney's box on this day of , 2017 to attorneys of record or to parties (when appearing pro se) as follows:

Sean M. Foerster
Rogers Townsend & Thomas, P.C.
P. O. Box 100200
Columbia, South Carolina 29202
ATTORNEY(S) FOR THE PLAINTIFF(S)

Glenn E. Bowens, Esquire
PO Box 424
Winnsboro, SC 129180
ATTORNEY(S) FOR THE DEFENDANT(S)

Rhonda L. Meisner, *pro se*
Post Office Box 689
Blythewood, South Carolina 29016

CLERK OF COURT

Court Reporter:

E-Filing Note: In E-Filing counties, the date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgement to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.

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

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

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, vs. Sand Dollar 31, LLC; Rhonda Meisner, Defendants.	IN THE COURT OF COMMON PLEAS DOCKET NOS.: 2011-CP-40-06317 and 2011-CP-40-06318 ORDER DENYING MOTION TO ALTER OR AMEND AND ENTERING DEFICIENCY JUDGMENTS

CLOCKED IN ERROR

These cases came before the Court at a hearing on October 5, 2017, on the following matters:

- The "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence" filed by Defendant Rhonda Meisner ("Meisner") herein on August 6, 2017;
- The reasonableness of the attorney's fees awards in the Judgments of Foreclosure and Sale entered in both cases, which issue had been previously taken under advisement but never ruled upon after hearings on the issue on July 27, 2016, and on February 1, 2017; and
- The report of the appraisers required by the Order entered on July 27, 2017, for purposes of establishing the deficiency judgment amounts to be entered against Meisner in accordance with the Appraisal Rights Statutes (S.C. Code Ann § 29-3-680 *et seq.*).

Sean M. Foerster, Esquire, appeared on behalf of Plaintiff SCBT, N.A., which is now known as South State Bank ("Plaintiff"). Glenn E. Bowens, Esquire, appeared on behalf of Defendant Sand Dollar 31, LLC ("Sand Dollar 31"). Meisner appeared *pro se*.

The Court also takes this opportunity to vacate an administrative dismissal entered in both cases on September 12, 2017.

Relevant Facts

The facts relevant to the matters before the Court at this time are as follows:

1. Motion to Alter or Amend.

Meisner's motion to alter or amend asks the Court to reconsider its Order entered on July 27, 2017, denying her motion to amend her answer to add counterclaims and ordering an appraisal of the properties at issue in these two foreclosure actions for purposes of determining the deficiency judgment amounts to be entered against her.

As grounds for her motion, Meisner contends:

- Plaintiff should be judicially estopped from taking a position as to the value of the properties that differs from the position stated in Plaintiff's Motion to Vacate Foreclosure Sale filed on September 6, 2012, but which motion Plaintiff withdrew on July 10, 2014;
- Plaintiff did not timely designate its appraiser, Eugene Garvin. While Meisner cannot refute that Plaintiff designated its appraiser by letter to the Court dated August 17, 2012, she contends this designation is ineffective because it is outside of the court records;
- The Court never ruled on Meisner's declaratory judgment counterclaim to determine the rights and obligations of Meisner under the notes, mortgages, and guaranty agreements in both cases; and
- The Court never ruled on the issue of whether Meisner signed the guaranty agreements for the mortgage loans at issue in her individual capacity.

2. Attorney's Fee Awards.

On May 16, 2012, the Court entered Judgments of Foreclosure and Sale in both of these cases. In civil action # 2011-CP-40-6317, the Court awarded Plaintiff $6,000 in attorney's fees. In civil action # 2011-CP-40-63118, the Court awarded Plaintiff $8,000 in attorney's fees.

Meisner appealed from both judgments. On December 3, 2014, the South Carolina Court of Appeals entered an opinion affirming the Court on all issues raised in Meisner's appeal except for the award of attorney's fees to Plaintiff in both foreclosures, stating in the opinion, "[W]e remand this case so the master can award reasonable attorney's fees."

On July 27, 2016, per the instruction from the Court of Appeals, the Court held a remand hearing to award reasonable attorney's fees in both cases. At the hearing, Plaintiff's counsel submitted to the Court the following affidavits[1]:

- For civil action # 2011-CP-40-6317, an Affidavit of Attorney's Fees signed by Teri K. Stomski seeking an award of $6,000 in attorney's fees to Plaintiff, and an Affidavit of Sean M. Foerster authenticating certain billing records of Plaintiff's counsel showing that Plaintiff incurred over $6,000 in attorney's fees through the date of the second foreclosure sale and almost $16,000 in attorney's fees through the date that Meisner filed her appeal;
- For civil action # 2011-CP-40-6318, an Affidavit of Attorney's Fees signed by Teri K. Stomski seeking an award of $8,000 in attorney's fees to Plaintiff, and an Affidavit of Sean M. Foerster authenticating certain billing records of Plaintiff's counsel showing that Plaintiff incurred over $9,000 in attorney's fees through the date of the second foreclosure sale and over $18,000 in attorney's fees through the date that Meisner filed her appeal.

The Court took the issue of attorney's fees under advisement at the conclusion of the remand hearing to give Meisner time to file her objections to the affidavits supplied by Plaintiff's counsel.

On August 19, 2016, Meisner filed an "Objection to Attorney's Fees Affidavit Submitted at the July 27, 2016 Hearing," complaining of the content and timing of the affidavits supplied by Plaintiff's counsel.

On February 1, 2017, the Court again heard arguments from the parties concerning the reasonableness of the attorney's fee amounts awarded in both cases, and again took the issue under advisement.

3. Return of Appraisers.

On May 16, 2012, the Court entered Judgments of Foreclosure and Sale in both of these cases in the following amounts: $63,734.92 in civil action # 2011-CP-40-6317 and $43,220.45 in civil action # 2011-CP-40-6318.

[1] Both sets of affidavits were filed in their respective cases on November 23, 2016.

On June 4, 2012, the subject properties were sold at a foreclosure sale. Because Plaintiff demanded deficiency judgments in both cases, the subject properties went to a second sale on July 5, 2012.

In civil action # 2011-CP-40-6317, the property at 4824 Linden Street, Columbia, South Carolina 29203, sold at the second sale to SCORE LLC for $25,001.00.

In civil action # 2011-CP-40-6318, the property at 8391 Winnsboro Road, Blythewood, SC, sold at the second sale to SCORE LLC for $10,501.00.

On July 31, 2012, Meisner filed a "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" in both actions in which she sought an order of appraisal under S.C. Code Ann. § 29-3-680 to 29-3-770 ("Appraisal Rights Statutes"). While this petition purported to be on behalf of both Meisner and Sand Dollar 31, it was signed and filed by only Meisner, who was not a licensed attorney. It was not signed or filed by Glenn E. Bowens, Esquire, counsel of record for Sand Dollar 31 at the time.

By Order entered herein on July 27, 2017, the Court granted Meisner's "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" in both actions. The Court ordered Plaintiff's designated appraiser, Eugene Garvin, and Meisner's designated appraiser, Angela Buckley, to convene and try to agree on the value of the two properties at issue in these foreclosure actions as of the time of the second foreclosure sale, and for the parties to then provide the Court with a copy of the appraisers' opinions. The Court further ordered that if the appraisers could not agree on the values of the two properties, it would hold a follow-up hearing on the matter and decide how to proceed with the appraisal process.

By letter dated September 1, 2017, Plaintiff's counsel submitted to the Court a letter from Eugene Garvin dated August 30, 2017, which purported to set forth the opinions of both appraisers as to the value of the two properties. Also enclosed with Mr. Garvin's letter were his appraisal reports for both properties. According to Mr. Garvin's letter, the appraisers' opinions as to the value of each property as of the time of the second foreclosure sale are as follows:

- For civil action # 2011-CP-40-6317 concerning the property at 4824 Linden Street, Mr. Garvin determined the property to be worth $25,000 "as is." Ms. Buckley determined the property to be worth $31,000 "subject to" repairs in the amount of $12,080, or $18,920 "as is."

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- For civil action # 2011-CP-40-6318 concerning the property at 8391 Winnsboro Road, Mr. Garvin determined the property to be worth $16,000 "as is." Ms. Buckley determined the property to be worth $20,000 "subject to" repairs in the amount of $4,530, or $15,470 "as is."

Neither Meisner nor Ms. Buckley ever submitted any documents to the Court to support or refute Ms. Buckley's value of the two properties as set forth in Mr. Garvin's letter.

4. Administrative Dismissal.

During Richland County's recent transition to the electronic case management system, it was discovered that the records of the South Carolina Court Administration inaccurately showed several thousand closed cases as still pending with this Court due to a computer glitch. In response, the Court entered an Omnibus Order of Dismissal Without Prejudice on September 12, 2017, that dismissed several thousand cases. These two cases were inadvertently affected by the Omnibus Order, and the Clerk of Court entered administrative dismissals in the public index of each case on September 12, 2017.

Conclusions of Law

The Court finds and concludes as follows:

1. Meisner's motion to alter or amend is denied.

The Court declines to alter or amend its Order entered on July 27, 2017, because the order is not controlled by an error of law or based on factual conclusions without evidentiary support.

"A party *may* wish to file such a motion [under Rule 59(e)] when she believes the court has misunderstood, failed to fully consider, or perhaps failed to rule on an argument or issue, and the party wishes for the court to reconsider or rule on it." *Elam v. S.C. DOT*, 361 S.C. 9, 24, 602 S.E.2d 772, 780 (2004). "There is nothing inherently unfair in allowing a party one final chance not only to call the court's attention to a possible misapprehension of an earlier argument, but also to revisit a previously raised argument." *Id.* at 22, 602 S.E.2d at 779.

With respect to Meisner's judicial estoppel argument, the Court did not misunderstand or fail to fully consider Meisner's previous arguments on this issue. The Plaintiff is not bound by any position taken in its Motion to Vacate Foreclosure Sale since the motion was voluntarily withdrawn before being ruled upon.

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With respect to the timeliness of Plaintiff's designation of its appraiser, the Court finds no error in its prior order. "[W]ithin ten days after service of a copy of the order upon the judgment creditor or his attorney of record he shall designate to the clerk another appraiser..." S.C. Code Ann. § 29-3-710 (emphasis added). Plaintiff designated its appraiser by letter to the Court dated August 17, 2012—five years prior to the Order of July 27, 2017. Further, it is clear on the face of the Order of July 27, 2017, that Plaintiff had already designated its appraiser before the entry of that order. Therefore, Plaintiff's designation of its appraiser was timely as it was made well before ten days after service of a copy of the Order of July 27, 2017.

With respect to Meisner's declaratory judgment counterclaim concerning her obligations under the loan documents and whether Meisner signed the guaranty agreements in her individual capacity, these issues have been fully adjudicated. The Judgments of Foreclosure and Sale entered in both of these cases on May 16, 2012, concluded that Meisner was personally liable for the mortgage debt in each case based on her signing the guaranty agreements for each loan and accordingly entered personal judgments against her. The Court of Appeals affirmed the Judgments of Foreclosure and Sale on that issue. Meisner's motion with respect to this issue is therefore untimely.

For these reasons, the Court denies Meisner's "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence."

2. The prior attorney's fee awards were reasonable.

The award of attorney's fees set forth in the Judgments of Foreclosure and Sale entered in each case on May 16, 2012, are hereby affirmed.

"Where there is a contract, the award of attorney's fees is left to the discretion of the trial judge and will not be disturbed unless an abuse of discretion is shown." *United States Bank Tr. Nat'l Ass'n v. Bell*, 385 S.C. 364, 379-80, 684 S.E.2d 199, 207 (Ct. App. 2009). "There are six factors to consider in determining an award of attorney's fees: 1) nature, extent, and difficulty of the legal services rendered; 2) time and labor devoted to the case; 3) professional standing of counsel; 4) contingency of compensation; 5) fee customarily charged in the locality for similar services; and 6) beneficial results obtained." *Blumberg v. Nealco*, 427 S.E.2d 659, 660 (S.C. 1993).

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The Court of Appeals charged this Court to "award reasonable attorney's fees." Based on the affidavits of Teri K. Stomski and Sean M. Foerster supplied by Plaintiff's counsel for each case, the Court confirms its previous awards of reasonable attorney's fees set forth in the Judgments of Foreclosure and Sale in each case. The Court finds that the fees awarded are reasonable in relation to the services performed and anticipated to be performed until final adjudication of these actions. The fees are likewise reasonable based on the time that Plaintiff's counsel necessarily devoted to the representation of Plaintiff during the several year course of these proceedings. The services of Plaintiff's counsel performed for Plaintiff, which include the number and types of pleadings and documents prepared, the incumbent liabilities, and the difficulties involved in these particular cases also support the fees awarded. The fees awarded are reasonable given the professional standing of Plaintiff's counsel and their experience in handling foreclosure matters. The fees awarded are also reasonable in light of the fees customarily awarded by this Court for similar services in this locality. Finally, the efforts of Plaintiff's counsel have had the beneficial result of a successful foreclosure of the mortgages in these two cases, which further justifies the fee awards.

3. Deficiency judgments shall be entered based on S.C. Code Ann. § 29-3-740.

The Court adopts the opinion letter from Eugene Garvin dated August 30, 2017, with the reports attached thereto, as the Return of Appraisers and hereby enters deficiency judgments in both cases against Meisner in accordance with S.C. Code Ann. § 29-3-740.

"The board of appraisers as so constituted shall proceed to view and value the mortgaged property and all or a majority thereof shall make a sworn return within thirty days from their appointment of the true value of the property as of the date of sale, taking into consideration sale value, cost and replacement value of improvements, income production and all other proper elements which, in their discretion, enter into the determination of true value." S.C. Code Ann. § 29-3-720.

"The return of the appraisers shall be filed and recorded by the clerk as a judgment of the court and be subject to appeal as hereinafter provided." S.C. Code Ann. § 29-3-740.

"If the value returned after deduction therefrom of the amount of the price at which the property was sold under direction of the court be equal to or exceed the amount of the deficiency remaining upon the judgment after application of the net proceeds of sale the judgment shall be thereupon extinguished and cancelled of record by the clerk and if such returned value, after

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deduction of the amount of the sale price, be less than the deficiency the latter shall be abated and deemed paid, pro tanto, and be thereafter enforceable for only the remainder..." *Id.*

For civil action # 2011-CP-40-6317 concerning the property at 4824 Linden Street, Mr. Garvin determined the "as is" value of the property to be $25,000. Ms. Buckley determined the "as is" value of the property to be $18,920.[2] Because both valuations are lower than the $25,001 sale price at the second foreclosure sale, the deficiency judgment entered against Meisner in civil action # 2011-CP-40-6317 shall be determined based on that foreclosure sale price. After deducting the $25,001 foreclosure sale price from the foreclosure judgment amount of $63,734.92, there remains a deficiency owed by Meisner in the amount of $38,733.92 in civil action # 2011-CP-40-6317.

For civil action # 2011-CP-40-6318 concerning the property at 8391 Winnsboro Road, Mr. Garvin determined the "as is" value of the property to be $16,000 and Ms. Buckley determined the "as is" value of the property to be $15,470.[3] Both valuations are higher than the $10,501.00 sale price at the second foreclosure sale. To the benefit of Meisner, and because neither Meisner nor Ms. Buckley ever submitted any documents to the Court to support Ms. Buckley's valuation of this property as required by the Order of July 27, 2017, the deficiency judgment entered against Meisner in civil action # 2011-CP-40-6318 shall be determined based on Mr. Garvin's valuation of $16,000. After deducting the $16,000 appraisal value from the foreclosure judgment amount of $43,220.45, there remains a deficiency owed by Meisner in the amount of $27,220.45 in civil action # 2011-CP-40-6318.

With respect to Sand Dollar 31, the Court finds that it failed to timely petition for an order of appraisal. "In any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked, whether he has theretofore appeared in the action or not, may within thirty days after the sale of the mortgaged property apply by verified petition to the

[2] The Court declines to adopt Ms. Buckley's valuation of $31,000 "subject to" repairs in the amount of $12,080 because there is no evidence before the Court that such repairs had been made to the subject property as of the date of the second foreclosure sale and neither Meisner nor Ms. Buckley ever submitted any documents to the Court as required by the Order of July 27, 2017, to support this valuation.

[3] The Court declines to adopt Ms. Buckley's valuation of $20,000 "subject to" repairs in the amount of $4,530 because there is no evidence before the Court that such repairs had been made to the subject property as of the date of the second foreclosure sale and neither Meisner nor Ms. Buckley ever submitted any documents to the Court as required by the Order of July 27, 2017, to support this valuation.

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clerk of court in which the decree or order of sale was taken for an order of appraisal." S.C. Code Ann. § 29-3-680(A).

Meisner's "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" filed on July 31, 2012, was ineffectual as to Sand Dollar 31 because Meisner, a non-lawyer, was prohibited by law from representing this entity. *Renaissance Enters., Inc. v. Summit Teleservices, Inc.*, 334 S.C. 649, 651-53, 515 S.E.2d 257, 258-59 (1999)("We now hold a non-lawyer cannot represent a corporation in circuit or appellate courts ...a corporation may appear pro se only in magistrate's court."). Therefore, the deficiency judgment amounts to be entered against Sand Dollar 31 in both cases shall be based on the difference between the total judgment amount listed in each Judgment of Foreclosure and Sale and the second foreclosure sale price of each property.

After deducting the $25,001 foreclosure sale price from the foreclosure judgment amount of $63,734.92 in civil action # 2011-CP-40-6317, there remains a deficiency owed by Sand Dollar 31 in the amount of $38,733.92 in that action. After deducting the $10,501 foreclosure sale price from the foreclosure judgment amount of $43,220.45 in civil action # 2011-CP-40-6318, there remains a deficiency owed by Sand Dollar 31 in the amount of $32,719.45 in that action.

4. <u>The administrative dismissals of these two cases are vacated.</u>

Because these two cases still had pending issues to resolve at the time of the Omnibus Order of Dismissal Without Prejudice on September 12, 2017, they should not have been administratively dismissed. The Court therefore vacates the administrative dismissals of these two cases.

NOW, THEREFORE, it is ordered that:

1. The administrative dismissals entered in both cases on September 12, 2017, are vacated;

2. The "Motion to Alter or Amend Pursuant to S.C.R.C.P. Rule 59(e) and Motion to Hold Actions Items in Abeyance Until Court Can Evaluate the Appraisal Evidence" of Defendant Rhonda Meisner filed herein on August 8, 2017, is denied;

3. The award of attorney's fees set forth in the Judgments of Foreclosure and Sale entered in each case on May 16, 2012, are hereby affirmed in the amounts of $6,000 in civil action # 2011-CP-40-6317 and $8,000 in civil action # 2011-CP-40-6318;

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4. The total judgment amounts set forth in the Judgments of Foreclosure and Sale entered in each on May 16, 2012, are hereby affirmed in the amounts of $63,734.92 in civil action # 2011-CP-40-6317 and $43,220.45 in civil action # 2011-CP-40-6318, plus interest as set forth in those judgments;

5. The opinion letter from Eugene Garvin dated August 30, 2017, shall be filed and treated as the Return of Appraisers;

6. For civil action # 2011-CP-40-6317, deficiency judgment is entered against Defendant Rhonda Meisner in the amount of $38,733.92 plus interest at the legal rate for judgments;

7. For civil action # 2011-CP-40-6318, deficiency judgment is entered against Defendant Rhonda Meisner in the amount of $27,220.45 plus interest at the legal rate for judgments;

8. For civil action # 2011-CP-40-6317, deficiency judgment is entered against Defendant Sand Dollar 31, LLC, in the amount of $38,733.92 plus interest at the legal rate for judgments;

9. For civil action # 2011-CP-40-6318, deficiency judgment is entered against Defendant Sand Dollar 31, LLC, in the amount of $32,719.45 plus interest at the legal rate for judgments; and

10. This case is ended.

AND IT IS SO ORDERED.

Joseph M. Strickland
Master in Equity for Richland County

December 18, 2017

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, vs. Sand Dollar 31, LLC; Rhonda Meisner, Defendants.	IN THE COURT OF COMMON PLEAS DOCKET NOS.: 2011-CP-40-6317 and 2011-CP-40-6318 ORDER

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RICHLAND COUNTY
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C.C.P. & G.S.

This matter came before the Court at a hearing on February 1, 2017, on the following motions and petitions filed by Defendant Rhonda Meisner ("Meisner"):

- "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" filed herein on July 31, 2012;
- "Motion for Application of Appraisal Statute; Determination of Deficiency Against Defendants; and Final Adjudication of Counterclaims" filed herein on July 1, 2016; and
- "Motion and Memorandum in Support of Amending the Counterclaims in the Two Above Entitled Cases" of Defendant Rhonda Meisner filed herein on August 19, 2016.

Sean M. Foerster, Esquire, appeared on behalf of Plaintiff SCBT, N.A., which is now known as South State Bank ("Plaintiff"). Glenn E. Bowens, Esquire, appeared on behalf of Defendant Sand Dollar 31, LLC. Meisner appeared *pro se*.

Relevant Facts

On May 16, 2012, the Court entered Judgments of Foreclosure and Sale in both of these cases.[1] On June 4, 2012, the subject properties were sold at a foreclosure sale. Because SCBT demanded deficiency judgments, the subject properties went to a second sale on July 5, 2012.

[1] Meisner appealed from both judgments. On December 3, 2014, the South Carolina Court of Appeals entered an Order affirming the Court on all issues raised in Meisner's appeal except for the award of attorney's fees to Plaintiff in both foreclosures. On July 23, 2015, the South Carolina Supreme Court denied Meisner's petition for a writ of certiorari.

On July 31, 2012, Meisner filed a "Petition for Appraisal S.C. Code Ann. § 29-3-680 *et. seq.*" in both actions in which she sought an order of appraisal under S.C. Code Ann. § 29-3-680 to 29-3-770 ("Appraisal Rights Statutes"). Meisner designated Angela Buckley of Certified Appraisal Services as her appraiser. Plaintiff stipulated that it does not oppose Meisner's application for an order of appraisal. Plaintiff timely designated Eugene Garvin, Jr., as its appraiser.

On August 8, 2012, the Court entered Orders of Deficiency against both defendants in both cases, of which the ones against Meisner were subject to the outcome of Meisner's application for an order of appraisal.

On September 6, 2012, Plaintiff filed a Motion to Vacate the Foreclosure Sale, but filed a withdrawal of the motion on July 10, 2014, before it was ever heard or ruled on by the Court. Despite the motion withdrawal, Meisner claims that Plaintiff should be judicially estopped from taking a position as to the value of the property that differs from the position as to value it took in the motion. She therefore argues that an order for appraisal is no longer necessary.

On August 19, 2016, Meisner filed a motion seeking leave to amend her pleadings to assert a new counterclaim against Plaintiff for abuse of process.

Conclusions of Law

The Court finds and concludes as follows:

1. Appraisal Rights

Because Plaintiff withdrew its Motion to Vacate Foreclosure Sale before it was heard, the Court rejects Meisner's argument that Plaintiff should be judicially estopped from taking a position as to the value of the property that differs from its position stated in that motion. Therefore, the amount of the deficiency against Meisner in both of these cases shall be determined in accordance with S.C. Code Ann. §§ 29-3-680 to 29-3-770.

Accordingly, S.C. Code Ann. § 29-3-720 requires the appraisers designated by the parties to "proceed to view and value the mortgaged property and all or a majority thereof shall make a sworn return within thirty days from their appointment of the true value of the property as of the date of sale, taking into consideration sale value, cost and replacement value of improvements, income production and all other proper elements which, in their discretion, enter into the determination of true value." Thereafter, Meisner and Plaintiff shall inform the Court of the

consensus reached by these two appraisers as to the values of the subject properties as of the date of the foreclosure sales.

2. Amendment of Pleadings

Leave to amend pleadings shall be freely given when justice so requires and does not prejudice any other party. Rule 15(a), SCRCP. However, Meisner cites to no case law showing where a party was permitted to amend the pleadings five years after the entry of the final judgment. Such an amendment would be prejudicial to Plaintiff.

NOW, THEREFORE, it is ordered that:

1. The "Motion and Memorandum in Support of Amending the Counterclaims in the Two Above Entitled Cases" of Defendant Rhonda Meisner filed herein on August 19, 2016, is denied;

2. Within 30 days of the entry of this order, the appraisers designated by the parties, Angela Buckley and Eugene Garvin, Jr., shall convene to agree on an opinion as to the value of the subject properties as of July 5, 2012, and shall inform the parties of their opinion;

3. The parties shall thereafter immediately provide the Court with the opinion of the appraisers; and

4. In the event that the appraisers cannot agree on the values of the subject properties as of July 5, 2012, the Court shall hold a follow-up hearing to determine how next to proceed in the appraisal process.

AND IT IS SO ORDERED.

Joseph M. Strickland
Master in Equity for Richland County

July 25, 2017

33

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Joseph F. Strickland, Master in Equity Court Judge

Case No. 2011-CP-40-06318
Case. No. 2011-CP-40-06317
CONSOLIDATED BY THE SOUTH CAROLINA COURT OF APPEALS

SOUTH STATE BANK,

Respondent,

v.

Sand Dollar 31, LLC and
Rhonda Meisner,
Of whom Rhonda Meisner is
the

Appellant.

RECEIVED
FEB 20 2018
SC Court of Appeals

CERTIFICATE OF SERVICE NOTICE OF APPEAL

Rhonda Meisner certifies she has placed a copy of the notice of appeal and this certificate of service in the U.S. Mail postage pre-paid to: Sean Foerster attorney for the respondents, Sean Foerster, Rogers, Townsend, and Thomas, PC 1221 Main Street 14th floor Columbia, South Carolina 29201 and Glenn Bowens, attorney for Sand Dollar 31, LLC at Bowens Law SC Post office Box 424 Winnsboro, SC 29180 and via email. Additionally, she has filed a copy with the Circuit Court and placed a courtesy copy in the Honorable Joseph Strickland's mailbox at the Clerk's office.

February 19, 2018
20

Rhonda Meisner, Appellant
Post Office Box 689
Blythewood, South Carolina 29016
(803)206-3402
pegasus333@icloud.com

34
18

STATE OF SOUTH CAROLINA	)	**IN THE COURT OF COMMON PLEAS**
	)	**CASE NUMBER: 2011-CP-40-6317**
COUNTY OF RICHLAND	)	**JR NO:**
	)	
South Carolina B&T, NA	)	
	)	
Plaintiff(s),	)	
	)	SUMMONS AND ORDER
	)	OF
vs.	)	APPOINTMENT
	)	**Status Conference**
Sand Dollar 31, LLC	)	
	)	
Defendant(s)	)	

RICHLAND COUNTY FILED
2012 OCT 18 AM 10:08
JEANETTE W. WALKER C.C.P. & G.S.

BY VIRTUE of the Order of Reference filed in the above entitled case, **I have appointed November 6, 2012 at 4:00 o'clock pm** to Courtroom 2-D, Richland County Judicial Center, 1701 Main Street, Columbia, S.C., as the time and place for holding a hearing at which time and place all interested parties will appear. Continuance of this hearing will be granted only upon strict compliance with Rule 40(c), SCRCP.

Upon receipt of this Summons and Order, the Plaintiff(s) or moving party will notify this office immediately of any persons entitled to notice who have not been mailed a copy of this Summons and Order. All parties will please take notice of Rule 5(d), SCRCP.

If unliquidated damages are sought against a Defendant in Default, Plaintiff must give notice of time and place of this hearing pursuant to Rule 55, SCRCP. Additionally, it shall be the responsibility of the Plaintiff or moving party to comply with Rule 6, SCRCP. A copy of this notice must be filed with the Court by the date of the hearing.

AND IT IS SO ORDERED.

JOSEPH M. STRICKLAND, MASTER
IN EQUITY FOR RICHLAND COUNTY

CC: Teri Kimball-Cullen Stomski, Esq
Samuel C. Waters, Esq.
Richard R. Gleissner, Esq.
Glen Bowens, Esq.
Rhonda Meisner

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

ORDER DENYING DEFENDANT'S MOTION TO ALTER OR AMEND
(Pursuant to Rule 59(e), SCRCP)

RICHLAND COUNTY
FILED
2012 NOV -6 PM 4:58
RENEE W. McBRIDE
C.C.P. & G.S.

This matter came before me on July 18, 2012 upon Defendants Sand Dollar 31, LLC and Rhonda Meisner's motion to alter or amend pursuant to SCRCP 59(e). Glenn Bowens, Esquire appeared on behalf of Defendants Sand Dollar 31, LLC and Rhonda Meisner, who was also present at the hearing. Teri K. Stomski, Esquire appeared on behalf of Plaintiff SCBT, N.A..

This Court has received and reviewed memorandum from counsel and reviewed all of the evidence submitted. After careful consideration of the record and arguments of counsel, this Court hereby denies Defendants' motion to alter or amend.

AND IT IS SO ORDERED.

Joseph M. Strickland, Master in Equity for
Richland County

Nov. 6, 2012
Columbia, South Carolina

36

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00039)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6318

ORDER DENYING DEFENDANTS' MOTION TO ALTER OR AMEND
(Pursuant to Rule 59(e), SCRCP)

RICHLAND COUNTY
FILED
2012 NOV -6 PM 4:58
JANELLE W. McBRIDE
C.C.P. & G.S.

This matter came before me on July 18, 2012 upon Defendants Sand Dollar 31, LLC and Rhonda Meisner's motion to alter or amend pursuant to SCRCP 59(e). Glenn Bowens, Esquire appeared on behalf of Defendants Sand Dollar 31, LLC and Rhonda Meisner, who was also present at the hearing. Teri K. Stomski, Esquire appeared on behalf of Plaintiff SCBT, N.A..

This Court has received and reviewed memorandum from counsel and reviewed all of the evidence submitted. After careful consideration of the record and arguments of counsel, this Court hereby denies Defendants' motion to alter or amend.

AND IT IS SO ORDERED.

Joseph M. Strickland, Master in Equity for
Richland County

Nov. 6, 2012
Columbia, South Carolina

37

0116555-00035

FORM 4

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

JUDGMENT IN A CIVIL CASE

CASE NO. 11-CP-40-6318

SCBT, N. A.

PLAINTIFF(S)

Sand Dollar 31, LLC; Rhonda Meisner;

DEFENDANT(S)

Submitted by:
Teri K. Stomski (SC Bar#65250)
Attorneys for the Plaintiff
Rogers Townsend & Thomas, PC
220 Executive Center Drive, Suite 109
Post Office Box 100200
Columbia, SC 29202
(803) 771-7900
(803) 343-7013 - Fax
info@rtt-law.com

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

FILED
RICHLAND COUNTY
2012 MAY 18 AM 10:55
JEANNE D. McBRIDE
C.C.P. & G.S.

DISPOSITION TYPE (CHECK ONE)

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

☑ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

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

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

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

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

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

ORDER INFORMATION

This order ☑ ends ☐ does not end the case.

Additional Information for the Clerk : As required by statute, a foreclosure sale has been or will be scheduled, which will officially end the case. Also, if a deficiency judgment remains demanded, a separate Order for Deficiency Judgment will be entered at the completion of the foreclosure sale.

INFORMATION FOR THE JUDGMENT INDEX

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

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
SCBT, NA	Sand Dollar 31, LLC	$43,220.45
SCBT, NA	Rhonda Meisner	$43,220.45
		$

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

39

TMS: 10100-01-012
8391 Winnsboro Road
Blythewood, SC, 29016

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

Circuit Court Judge/Master in Equity/Special Referee | **Judge Code** | **Date**

For Clerk of Court Office Use Only

This judgment was entered on the 16th day of May, 2012 and a copy mailed first class or placed in the appropriate attorney's box on this _____ day of _____, 20____ to attorneys of record or to parties (when appearing pro se) as follows:

Teri K. Stomski (SC Bar #65250)
Rogers Townsend & Thomas, PC
P.O. Box 100200
Columbia, SC 29202-3400
ATTORNEY(S) FOR THE PLAINTIFF(S)
016555-00039

ATTORNEY(S) FOR THE DEFENDANT(S)

Jeanette W. Antrobus
CLERK OF COURT

Sand Dollar 31, LLC

Rhonda Meisner

Court Reporter:

40

016555-00040

FORM 4

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

JUDGMENT IN A CIVIL CASE

CASE NO. 11-CP-40-6317

SCBT, N. A.

PLAINTIFF(S)

Sand Dollar 31, LLC; Rhonda Meisner;

DEFENDANT(S)

Submitted by:
Teri K. Stomski (SC Bar#65250)
Attorneys for the Plaintiff
Rogers Townsend & Thomas, PC
220 Executive Center Drive, Suite 109
Post Office Box 100200
Columbia, SC 29202
(803) 771-7900
(803) 343-7013 - Fax
info@rtt-law.com

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

FILED
RICHLAND COUNTY
2012 MAY 16 AM 10:55
JEANE [illegible] McBRIDE
C.C.P. & G.S.

DISPOSITION TYPE (CHECK ONE)

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

☑ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

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

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

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

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

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

ORDER INFORMATION

This order ☑ ends ☐ does not end the case.

Additional Information for the Clerk : As required by statute, a foreclosure sale has been or will be scheduled, which will officially end the case. Also, if a deficiency judgment remains demanded, a separate Order for Deficiency Judgment will be entered at the completion of the foreclosure sale.

INFORMATION FOR THE JUDGMENT INDEX

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

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
SCBT, NA	Sand Dollar 31, LLC	$63,734.92
SCBT, NA	Rhonda Meisner	$63,734.92
		$

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

41

[redacted] 09313-03-21
Property Address: 4824 Linden Street
Columbia, SC 29203

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

Circuit Court Judge/Master in Equity/Special Referee | **Judge Code** | **Date**

For Clerk of Court Office Use Only

This judgment was entered on the 16th day of May, 2012 and a copy mailed first class or placed in the appropriate attorney's box on this _____ day of _____, 20____ to attorneys of record or to parties (when appearing pro se) as follows:

Teri K. Stomski (SC Bar #65250)
Rogers Townsend & Thomas, PC
P.O. Box 100200
Columbia, SC 29202-3400
ATTORNEY(S) FOR THE PLAINTIFF(S)
016555-00040

ATTORNEY(S) FOR THE DEFENDANT(S)

CLERK OF COURT

Sand Dollar 31, LLC

Rhonda Meisner

Court Reporter:

42

FORM 4

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

JUDGMENT IN A CIVIL CASE

CASE NUMBER: 2011CP4006318

SCBT N A
PLAINTIFF(S)

Sand Dollar 31 LLC
Rhonda Meisner
DEFENDANT(S)

Submitted by: _____

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

DISPOSITION TYPE (CHECK ONE)

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

☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

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

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

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

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

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

ORDER INFORMATION

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

INFORMATION FOR THE JUDGMENT INDEX

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

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

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

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

Circuit Court Judge _____ **Judge Code** _____ **Date** _____

For Clerk of Court Office Use Only

This judgment was entered on 8th day of August, 2012 and a copy mailed first class or placed in the appropriate attorney's box on this _____ day of _____, 20 _____ to attorneys of record or to parties (when appearing pro se) as follows:

Teri Kimball-Callen Stomski
ATTORNEY(S) FOR THE PLAINTIFF(S)

Glenn E. Bowens
ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter

Jeanette W. McBride
Clerk of Court , Jeanette McBride

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS
JR# 2011-CP-40-6318

SCBT, N.A.,

Plaintiff (s),

vs.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant (s).

ORDER FOR DEFICIENCY JUDGEMENT

2012 AUG -8 AM 10:02
JEANNETTE W. McBRIDE
C.C.P. & G.S.

I have determined the existence of a deficiency after sale of the property which is the subject of this action in the amount of **$34,165.22** Dollars. It is now proper for this amount to be entered as a monetary judgement.

IT IS THEREFORE ORDERED that the Plaintiff, **SCBT, N.A.,** have judgment against the Defendant/s **Sand Dollar 31, LLC and Rhonda Meisner,** in the amount of **$34,165.22** Dollars.

IT IS FURTHER ORDERED that the Clerk of Court amend the Form 4 previously filed in this action to reflect this monetary judgment.

JOSEPH M. STRICKLAND
Master in Equity for Richland County

Aug. 8, 2012
Columbia, South Carolina

(Rev. 2/90)

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS
JR# 2011-CP-40-6317

SCBT, N.A.,

Plaintiff (s),

vs.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant (s).

ORDER FOR DEFICIENCY JUDGMENT

2012 AUG -8 AM 10:02

I have determined the existence of a deficiency after sale of the property which is the subject of this action in the amount of **$40,571.63** Dollars. It is now proper for this amount to be entered as a monetary judgement.

IT IS THEREFORE ORDERED that the Plaintiff, **SCBT, N.A.,** have judgment against the Defendant/s **Sand Dollar 31, LLC and Rhonda Meisner,** in the amount of **$40,571.63** Dollars.

IT IS FURTHER ORDERED that the Clerk of Court amend the Form 4 previously filed in this action to reflect this monetary judgment.

JOSEPH M. STRICKLAND
Master in Equity for Richland County

Aug. 8, 2012
Columbia, South Carolina

(Rev. 2/90)

45

14
$125.00
1/24/12
SS

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

ORDER OF REFERENCE

Deficiency Judgment Demanded

Pursuant to Rules 71 and 53(b) of the South Carolina Rules of Civil Procedure, the above-entitled case is an action for foreclosure and may be referred to a Master in Equity or Special Referee in the above-entitled county by order of a circuit court judge or the clerk of court.

IT IS HEREBY ORDERED, that this action is referred to the Honorable Joseph M. Strickland, as Master in Equity to take testimony and to direct entry of final judgment in this action under Rule 53(b), SCRCP, 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 action including issuance of a writ of assistance or issuance of any rule to show cause including but not limited to any rule to show cause why a party should not be bound by the judgment of foreclosure. 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 the South Carolina Rules of Civil Procedure including but not limited to Rule 60(b). Judicial sales will be conducted pursuant to S.C. Code Section 15-39-680 or on any other convenient sale's date as may be determined by the Master in Equity/Special Referee.

The hearing shall be held in the Office of the Honorable Joseph M. Strickland, as Master in Equity for Richland County, located at:

Richland County Judicial Center
1701 Main Street, Room 2D
Columbia, SC 29201

FILED
RICHLAND COUNTY, S.C.
2012 JAN 25 AM 9:17

Jeanette W. Brad

Circuit Court Judge for Richland County or
Clerk of Court for Richland County

Columbia, South Carolina

1-25, 2012.

47

$125.00
1/24/12
SS

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00039)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6318

ORDER OF REFERENCE

Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2012 JAN 25 AM 9:
JEANETTE W. WALKER
C.C.P. & G.S.

Pursuant to Rules 71 and 53(b) of the South Carolina Rules of Civil Procedure, the above-entitled case is an action for foreclosure and may be referred to a Master in Equity or Special Referee in the above-entitled county by order of a circuit court judge or the clerk of court.

IT IS HEREBY ORDERED, that this action is referred to the Honorable Joseph M. Strickland, as Master in Equity to take testimony and to direct entry of final judgment in this action under Rule 53(b), SCRCP, 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 action including issuance of a writ of assistance or issuance of any rule to show cause including but not limited to any rule to show cause why a party should not be bound by the judgment of foreclosure. 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 the South Carolina Rules of Civil Procedure including but not limited to Rule 60(b). Judicial sales will be conducted pursuant to S.C. Code Section 15-39-680 or on any other convenient sale's date as may be determined by the Master in Equity/Special Referee.

The hearing shall be held in the Office of the Honorable Joseph M. Strickland, as Master in Equity for Richland County, located at:

Richland County Judicial Center
1701 Main Street, Room 2D
Columbia, SC 29201

Jeanette W. Walker

Circuit Court Judge for Richland County or
Clerk of Court for Richland County

Columbia, South Carolina

1-25, 2012.

HG
37

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner

Defendant(s).

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

FIRST AMENDED COMPLAINT

(NON-JURY)

FORECLOSURE OF COMMERCIAL REAL ESTATE MORTGAGE
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2011 SEP 27 PM 8:36
JEANETTE W. McBRIDE
C.P. & G.S.

(016555-00040)

Plaintiff alleges:

1. This is an action for the foreclosure of a commercial mortgage upon certain real estate in Richland County, South Carolina, and for entry of judgment(s) for breach of a promissory note and breach of a guaranty payment.

2. Pursuant to S.C. Code Section 33-15-101, Plaintiff is a corporation or other legal entity doing business in the State of South Carolina.

3. Plaintiff has the legal right to enforce the negotiable instrument secured by the Mortgage and is the real party in interest as defined by Rule 17(a) of the South Carolina Rules of Civil Procedure.

4. This action involves the foreclosure of a commercial loan secured by a non-owner-occupied dwelling and is not subject to the Home Affordable Modification Program ("HMP") for residential loans owned, securitized, or guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("FHLMC") or any other section if the Making Home Affordable Program.

5. Some lien on or interest in the real estate, the subject of this action, may be claimed by the Defendant(s) herein.

6. The Defendant(s) herein described as judgment creditors, if any, have by filing said judgments designated their attorney entering the judgment as their agent for service of process under the

50
38

provisions of South Carolina Code Section 15-35-840.

7. Heretofore, for value received, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain promissory note ("Original Note") in the principal sum of $31,140.00, together with interest therein from that date at the rate specified in the promissory note. On July 31, 2007, Borrower executed and delivered to South Carolina Bank and Trust, N.A. a Note in writing, according to the terms and conditions set out therein, which amended certain terms of the Original Note (the "First Amendment"). Thereafter South Carolina Bank & Trust N.A. changed its name to SCBT, N.A. The Original Note and the First Amendment are referred to herein collectively as the "Note". A copy of the Note, including all amendments thereto, is attached hereto, incorporated by reference, and marked as **Exhibit "A".**

8. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. n/k/a SCBT, N.A., a certain real estate mortgage ("Mortgage") covering the following described property and any and all improvements to the property:

All that certain piece, parcel or lot of land with improvements thereon situate, lying and being on the eastern side of Linden Street, in or near the Town of Eau Claire in the County of Richland, State of South Carolina; said lot being composed of and embracing Lot No. 12, 13 and 14 in Block 6 upon a plat of College View Subdivision, prepared by surveyors Clodfelder and Schisler, dated August-September, 1927 and recorded in Plat Book F at page 24. TMS# 09313-03-21.

This being the same property conveyed to Sand Dollar 31, LLC by that deed of Master of Equity for Richland County by deed dated July 20, 2006 and recorded August 2, 200 6 in Record Book 1213 at page 554

TMS: 09313-03-21

9. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 16, 2006, in Mortgage Book 1218 at Page 2100. A copy of the Mortgage is attached hereto, incorporated by reference herein and marked as **Exhibit "B".**

10. The Mortgage evidences and secures the repayment of money advanced by Plaintiff or its predecessor in interest to, or on behalf of, the mortgagor(s) and constitutes a first lien on the mortgaged premises.

11. In order to better secure payment and performance of the said Note and Mortgage, and also as a condition of Plaintiff, or Plaintiff's predecessor in interest, agreeing to extend the loan to the Borrower, Defendant Rhonda Meisner executed and delivered a Guaranty in favor of Plaintiff, or Plaintiff's predecessor in interest, its successors and assigns, dated July 24, 2006, absolutely and

unconditionally guaranteeing the payment of the entire indebtedness under the terms of the Note (the "Guaranty"). A copy of the Guaranty is attached hereto, incorporated by reference herein and marked as **Exhibit "C".**

12. The Note, Mortgage and Guaranty are collectively referred to herein as the "Loan Documents".

13. After all payments received by the Plaintiff have been credited to the subject loan, the loan is in default, and the conditions of the Loan Documents have been broken. Plaintiff elects to and does declare the entire balance of said indebtedness due and payable, and that there is due the principal sum of $48,698.20, with interest, advances, late charges, and also for the costs and disbursements of this action, including attorney's fees.

FOR A FIRST CAUSE OF ACTION
(Reformation of the Deed)

14. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

15. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC, made, executed and delivered a certain Balloon Note ("Note") in the original principal sum of $31,140.00, payable in monthly installments of principal and interest.

16. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate Mortgage covering the previously described property and any and all improvements to the property.

17. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 16, 2006, in Mortgage Book 1218 at Page 2100.

18. The Borrower acquired the property securing the aforementioned mortgage by deed dated July 20, 2006 and recorded in Record Book 1213 at Page 554, in the Office of the Register of Deeds for Richland County, South Carolina.

19. The grantee name as shown on said deed is defective.

20. Through inadvertence or mistake, a space in between "Sand" and "Dollar" in the intended grantee name of "Sand Dollar 31, LLC" was omitted from the recorded Deed. Upon review of the recorded documents related to the subject property and the records of the South Carolina Secretary of State, Plaintiff is informed and believes that the grantee name should read as follows: Sand Dollar 31, LLC.

21. Plaintiff is informed and believes that it is entitled to reformation of the Deed to correct the Grantee's name on the Deed to read as described in Paragraph 20 above.

FOR A SECOND CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Foreclosure of Mortgage and Deficiency Judgment)

22. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

23. That according to the terms and conditions of the Note, it is provided that, in the event of default in the payment of any installment when due, or in the event of default under the Mortgage, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, may be declared by the holder immediately due and payable.

24. Pursuant to the Loan Documents, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, has been declared by the Plaintiff immediately due and payable.

25. Plaintiff has made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

26. The Mortgage provides that if Plaintiff institutes any suit or action to enforce any of the terms of the Mortgage, Plaintiff shall be entitled to recover all costs and expenses incurred by Plaintiff, including but not limited to attorney's fees, court costs and other legal expenses.

27. Plaintiff has been or may be forced to pay sums for taxes and insurance and costs for securing the property, which sums, according to the terms of the Mortgage, should be added to the amount of the debt.

28. Pursuant to the terms of the Mortgage and applicable state law, Plaintiff requests the mortgage be foreclosed and that the property be sold at public auction in accordance with law, subject to any liens for taxes, special assessments of record against such property, and existing easements or restrictions of record.

29. Plaintiff has the right to seek a deficiency judgment against the Borrower, Defendant Sand Dollar 31, LLC. That in the event that the net amount realized by the Plaintiff upon the sale of the subject property is insufficient to pay in full the total indebtedness of the Plaintiff, including costs of collection, the Plaintiff demands a personal judgment against said Defendant in the amount of such deficiency.

FOR A THIRD CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Breach of Contract)

30. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

31. Plaintiff made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

32. It has become and is necessary for the Plaintiff to employ legal counsel to prosecute this action, and that the fee for the services of the Plaintiff's counsel should, according to the terms of the Note, be added to the amount of the debt.

33. There is currently due and owing on the Note the principal sum of $48,698.20, with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorneys' fees and court costs; and Plaintiff is entitled to judgment against Borrower in that amount.

FOR A FOURTH CAUSE OF ACTION
(Against Defendant Rhonda Meisner)
(Breach of Personal Guaranty)

34. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

35. According to the terms of the Guaranty, Defendant **Rhonda Meisner** irrevocably, absolutely and unconditionally guaranteed to Plaintiff the full payment and prompt performance of each and every obligation of the Borrower, and agreed to pay upon demand all of the principal amount of the Note, interest thereon and all collection costs, expenses, and reasonable attorney's fees.

36. Guarantor agreed that the Guaranty would continue in full force until all indebtedness of the Borrower under the terms of the Loan Documents shall have been fully and finally paid and satisfied, and all of Guarantor's obligations under the Guaranty had been performed in full.

37. Pursuant to the terms of the Guaranty, Plaintiff is not required to resort for payment, or to proceed directly against any person or entity, including Borrower.

38. Plaintiff has made demand upon Guarantor for immediate payment in full of the total amount then due and owing on the Note, in response to which Guarantor failed to provide payment in full.

39. There is currently due and owing on the Note the principal sum of $48,698.20 with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all

accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorney's fees and court costs; and Plaintiff is entitled to judgment against Guarantor in that amount.

WHEREFORE, having fully set forth its Complaint, Plaintiff prays that this Honorable Court inquire into the matters as set forth herein and:

(1) Under the direction of this Court, ascertain and determine the amount due upon the Note and Mortgage held by Plaintiff together with attorney's fees and costs of this action.

(2) Declare Plaintiff's Mortgage a first lien and render judgment of foreclosure for the amount so found to be due and owing thereon, together with any ad valorem taxes, or insurance premiums, and any other expenses which may be due and have been advanced by Plaintiff, with reasonable attorney's fees, and for the costs of this action.

(3) Order the reimbursement of all costs for inspecting and securing the property incurred by the Plaintiff as a result of the delinquency.

(4) Appoint a Receiver to collect the rents, issues, profits or designated sums from the mortgagor(s), and/or the grantee(s) of the mortgagor(s), and/or tenant(s) occupying or exercising control over the mortgaged premises and hold the same subject to the further order of this Court.

(5) Under the direction of this Court, sell the mortgaged premises, bar any equity of redemption, and apply the proceeds of sale as follows:

First, to the costs and expenses of the within action and sale;

Second, to the payment and discharge of the amount due on Plaintiff's Note and Mortgage, together with attorney's fees as aforesaid; and

Third, to the distribution of any surplus pursuant to Rule 71, of the South Carolina Rules of Civil Procedure;

(6) Issue an order directing the Sheriff of Richland County, South Carolina, to place the successful purchaser at said foreclosure sale in possession of the property should the same become necessary;

(7) On the First Cause of Action, for an order granting Plaintiff reformation of the Deed to correct the grantee name as set forth herein; and

(8) On the Second Cause of Action, for an order granting the Plaintiff a deficiency judgment against Defendant Sand Dollar 31, LLC, in the event that the proceeds of the sale of the mortgaged property are insufficient to pay in full the indebtedness, including costs of collection;

(9) On the Third Cause of Action a judgment against Borrower in the amount set forth above;

(10) On the Fourth Cause of Action, for an order granting Plaintiff a judgment against Guarantors in the amount set forth above, less any sums which Plaintiff may recover from Borrower on the Note; and

(11) Order such other and further relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEY FOR PLAINTIFF
Teri K. Stomski (SC Bar # 65250)
220 Executive Center Drive
Columbia, SC 29210
Post Office Box 100200 (29202)
(803) 771-7900

Columbia, South Carolina
September 27, 2011

EXHIBIT A

ND DOLLAR 31, LLC
CHESTER ROAD
THEWOOD, SC 29016

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

SOUTH CAROLINA BANK AND TRUST, NA
850 JOHN C CALHOUN DRIVE
PO BOX 9007
ORANGEBURG, SC 29116

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

RESP CODE 528
Loan Number
Date 07-24-2006
Maturity Date 07-15-2007
Loan Amount $ 31,140.00
Renewal Of

PROMISE TO PAY: For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of THIRTY ONE THOUSAND ONE HUNDRED
RTY AND NO/100 Dollars $ 31,140.00

☐ Single Advance: I will receive all of this principal sum on 07-24-2006. 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 07-24-2006 at the rate of 8.500% per year until 07-15-2007.

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

☐ Index Rate: The future rate will be _____ the following index rate: _____

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

☐ Frequency and Timing: The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $25.00

☐ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:
11 MONTHLY INTEREST PAYMENTS RANGING FROM $161.76 TO $227.93 BEGINNING 08-15-2006 AND 1 PAYMENT OF $31,360.58 ON 07-15-2007.

ADDITIONAL TERMS:

RECEIVED JUL 1 0 2006

☒ SECURITY: This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2006

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

PURPOSE: The purpose of this loan is PURCHASE REAL ESTATE

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

SAND DOLLAR 31, LLC

RHONDA MEISNER, MEMBER

Signature for Lender

ANNE WILSON, PRIVATE BANKER

TIONS: As used on page 1, "☒" means the terms that apply to loan. "I," "me" or "my" means each Borrower who signs this note each other person or legal entity (including guarantors, endorsers, sureties) who agrees to pay this note (together referred to as "us"). You" or "your" means the Lender and its successors and assigns.
APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be ive, unless the law permits you and me to agree to such a variation. provision of this agreement cannot be enforced according to its , this fact will not affect the enforceability of the remainder of this ment. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.
COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note involve money retained by you or paid back to you as commissions or r remuneration.
In addition, I understand and agree that some other payments to third es as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.
PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. remainder of each payment will then reduce accrued unpaid interest, than unpaid principal. If you and I agree to a different application of ments, we will describe our agreement on this note. I may prepay a of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full unless, when I make the prepayment, you and I agree in writing to the trary).
TEREST: Interest accrues on the principal remaining unpaid from time time, until paid in full. If I receive the principal in more than one vance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.
INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other rate or class of loans to me or other borrowers.
ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.
POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.
SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.
MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.
PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.
SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.
"Right to receive money from you" means:
(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.
"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.
If my right-to-receive-money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.
You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.
REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security, interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.
DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.
REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:
(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.
By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.
COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.
WAIVER: I give up my rights to require you to do certain things. I will not require you to:
(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).
I waive any defenses I have based on suretyship or impairment of collateral.
OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.
FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.
NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a prejudgment hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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SAND DOLLAR 31, LLC ONE CHESTER ROAD BLYTHEWOOD, SC 29016 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	SOUTH CAROLINA BANK AND TRUST, NA 950 JOHN C CALHOUN DRIVE PO BOX 8007 ORANGEBURG, SC 29115 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	RESP CODE 520 Loan Number [illegible] Date 07-31-2007 Maturity Date 07-31-2012 Loan Amount $ 50,000.00 Renewal Of [illegible]

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FIFTY THOUSAND AND NO/100 Dollars $ 50,000.00

☐ Single Advance: I will receive all of this principal sum on 07-31-2007. 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 07-31-2007 at the rate of 8.600% per year until 07-31-2012

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

☐ Index Rate: The future rate will be _____ the following index rate: _____

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

☐ Frequency and Timing: The rate on this note may change as often as _____

A change in the interest rate will take effect _____

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $25.00

☐ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:
59 MONTHLY PAYMENTS OF $437.69 BEGINNING 08-31-2007 AND 1 BALLOON PAYMENT OF $44,582.33 ON 07-31-2012.

ADDITIONAL TERMS: PREPAYMENT PROVISION: IF ANY AMOUNT OF PRINCIPAL IS PREPAID, BORROWER AGREES TO PAY TO LENDER, AT THE TIME OF PREPAYMENT, 3% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE FIRST ANNIVERSARY DATE OF THE NOTE, 2% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE SECOND ANNIVERSARY DATE OF THE NOTE AND 1% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE THIRD ANNIVERSARY DATE OF THE NOTE.

☒ SECURITY: This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2006

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

PURPOSE: The purpose of this loan is RENEW AND CASH OUT EXISTING LOAN

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

SAND DOLLAR 31, LLC

RHONDA MEISNER, MEMBER

Signature for Lender

ANNE WILSON, PRIVATE BANKER

DEFINITIONS: As used on page 1, "I" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that my insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is a closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

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

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence (and/or personal property), the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

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

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a prejudgment hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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AP

EXHIBIT B

Book 1218-2100
2008073864 08/15/2008 08:12:20:190 Mortgage
Fee:$15.00 County Tax:$0.00 State Tax:$0.00

2008073864 John O. Norris Richland County ROD

This document was prepared by (name, address, phone):
SOUTH CAROLINA BANK AND TRUST, N.A.
950 JOHN C. CALHOUN DRIVE
ORANGEBURG, SC 29115
(803) 534-2175

Space Above This Line For Recording Data

State of South Carolina

REAL ESTATE MORTGAGE
(With Future Advance Clause)

1. DATE AND PARTIES. The date of this Mortgage is 07-24-2008 and the parties and their addresses are as follows:

MORTGAGOR: SAND DOLLAR 81, LLC
1 CHESTER ROAD
BLYTHEWOOD, SC 29016

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors.

LENDER: SOUTH CAROLINA BANK AND TRUST, NA
ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA
950 JOHN C CALHOUN DRIVE
PO BOX 9007 ORANGEBURG, SC 29115

2. MORTGAGE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
SEE ADDENDUM ATTACHED

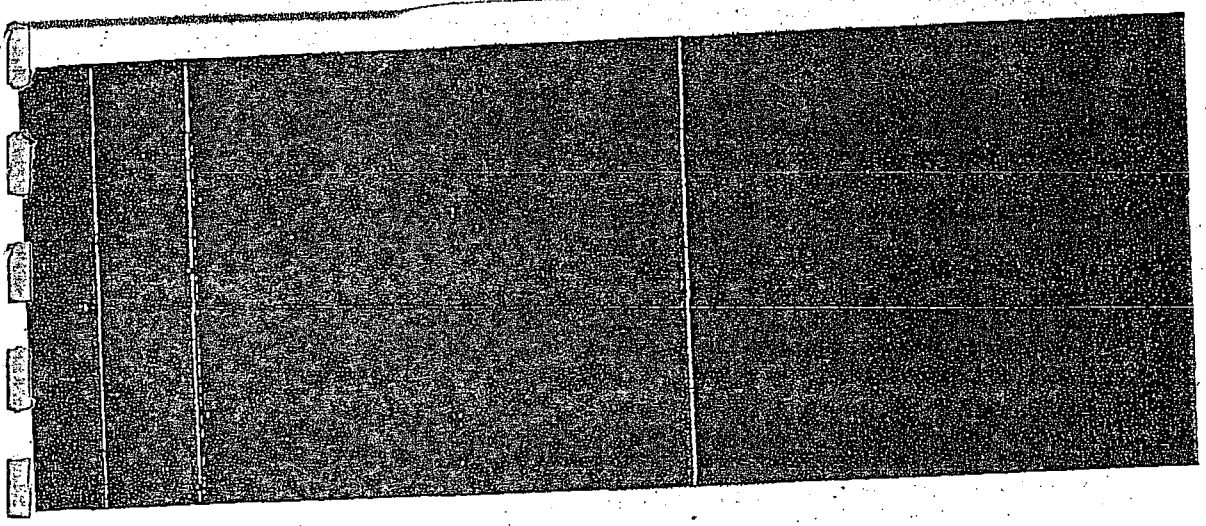
The property is located in RICHLAND (County) at 4824 LINDEN STREET (Address), COLUMBIA (City), South Carolina 29203 (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, 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"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

(page 1 of 8)

SOUTH CAROLINA - AGRICULTURAL/COMMERCIAL REAL ESTATE SECURITY INSTRUMENT (NOT FOR FHMA, FHLMC, FHA OR VA USE, AND NOT FOR CONSUMER PURPOSES)

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3. MAXIMUM OBLIGATION LIMIT. The total principal amount of the Secured Debt (hereafter defined) secured by this Mortgage at any one time shall not exceed $ 62,260.00 . This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Mortgage and does not apply to advances for interest accrued on such advances) made under the terms of this Mortgage to protect Lender's security and to perform any of the covenants contained in this Mortgage. 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. Future advances are contemplated and, along with other future obligations, are secured by this Mortgage even though all or part may not yet be advanced. Nothing in this Mortgage, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. SECURED DEBT DEFINED. The term "Secured Debt" includes, but is not limited to, the following:

A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt) *(e.g., borrower's name, note amount, interest rate, maturity date)*:

NOTE DATED 07-24-2008 IN THE AMOUNT OF $31,140.00 IN THE NAME OF SAND DOLLAR 31, LLC

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 existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the evidence of debt.

C. All obligations Mortgagor owes to Lender, which now exist or 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 Mortgage, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.

E. Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Lender and any Mortgage securing, guarantying, or otherwise relating to the debt.

If more than one person signs this Mortgage as Mortgagor, each Mortgagor agrees that this Mortgage will secure all future advances and future obligations described above that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. This Mortgage will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Mortgage or if Lender fails to give any required notice of the right of rescission.

5. PAYMENTS. Mortgagor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Mortgage.

6. WARRANTY OF TITLE. Mortgagor covenants that Mortgagor is lawfully seized of the estate conveyed by this Mortgage and has the right to grant, bargain, convey, sell, and mortgage the Property and warrants that the Property is unencumbered, except for encumbrances of record.

7. 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 Mortgage. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the Property.

8. 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 and that may have priority over this Mortgage, 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 make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.

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 any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest in all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Mortgage is released.

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10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Mortgagor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership or similar entity; or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Mortgage.

11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:

A. Mortgagor is an entity which is duly organized and validly existing in the Mortgagor's state of incorporation (or organization). Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.

B. The execution, delivery and performance of this Mortgage by Mortgagor and the obligation evidenced by the Evidence of Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.

C. Other than disclosed in writing Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

12. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will give Lender prompt notice of any loss or damage to the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Mortgagor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Mortgagor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Mortgage. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any of Mortgagor's duties under this Mortgage, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Mortgage, Lender may, without notice, perform the duties 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. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

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 Mortgage. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

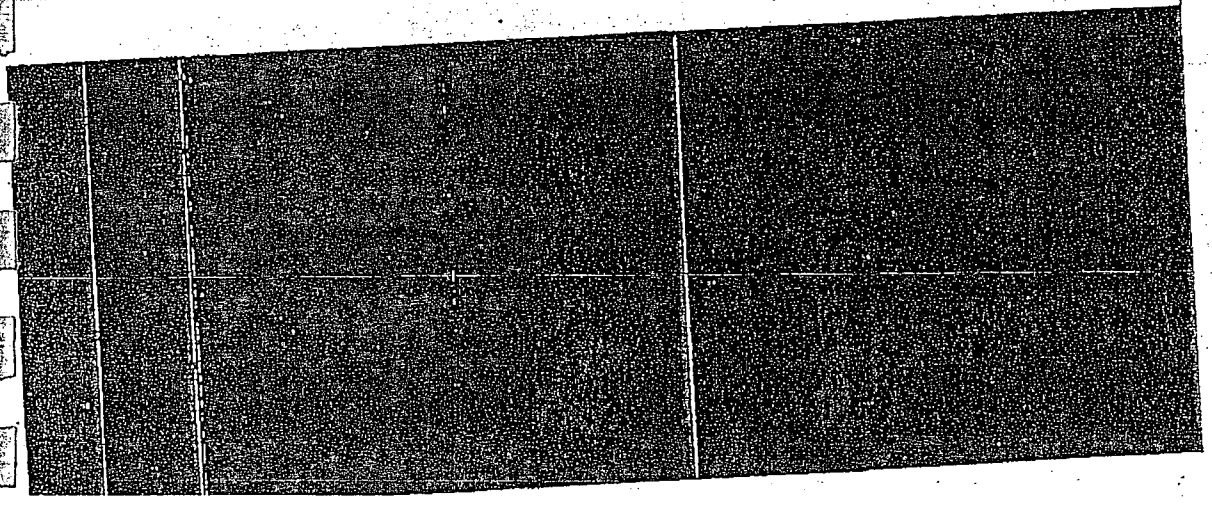
A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).

B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive

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any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

15. **CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** 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.

16. **DEFAULT.** Mortgagor will be in default if any of the following occur:
   A. Any party obligated on the Secured Debt fails to make payment when due;
   B. A breach of any term or covenant in this Mortgage, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
   C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
   D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any person or entity obligated on the Secured Debt;
   E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
   F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
   G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

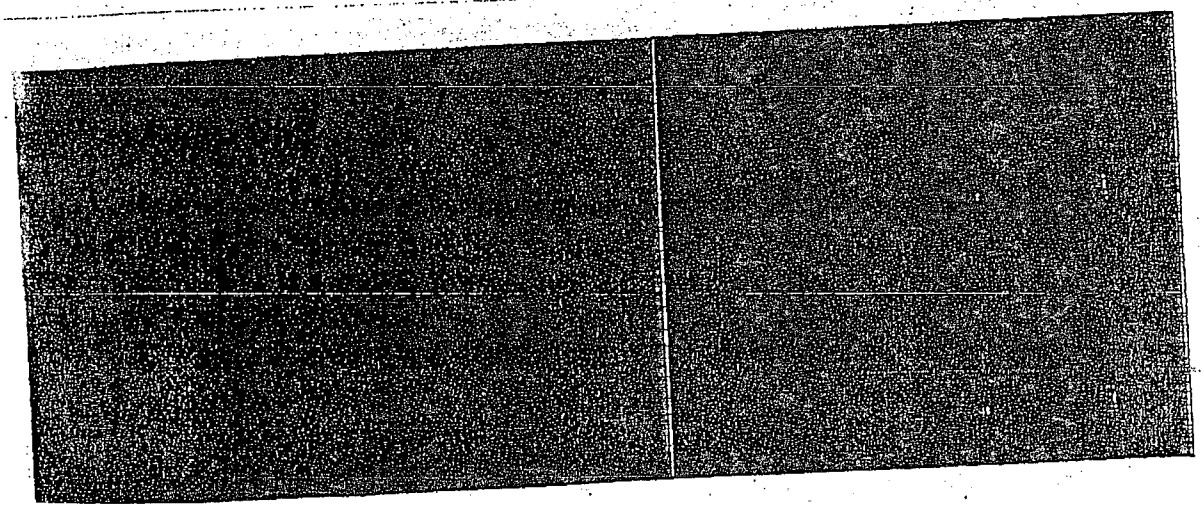
17. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Mortgage in a manner provided by law if this 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 Evidence of Debt, other evidences of debt, this Mortgage 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 expressly set forth or not. 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 full and 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.

18. **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 Mortgage. Mortgagor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Mortgagor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Mortgage, including, but not limited to, attorneys' fees, court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Mortgage and Mortgagor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.

19. **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.), 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

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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, except as previously disclosed and acknowledged in writing:

A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.

F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Mortgage and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Lender's rights under this Mortgage.

L. Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Mortgage regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

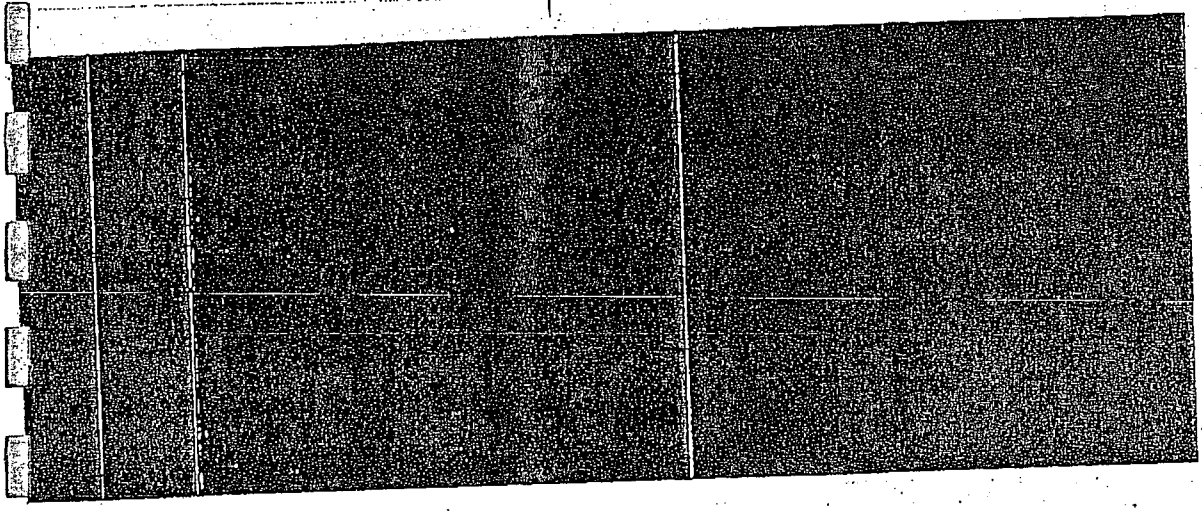
20. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Mortgagor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. 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 Mortgage. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. **INSURANCE.** Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding three sentences can change during the term of the Secured Debt. 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 Mortgage.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender 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.

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

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. 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.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. **NO 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.

23. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Mortgagor warrants that all financial statements and information Mortgagor provides to Lender are, or will be, accurate, correct, and complete. Mortgagor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Mortgage and Lender's lien status on the Property. If Mortgagor fails to do so, Lender may sign, deliver, and file such documents or certificates in Mortgagor's name and Mortgagor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.

24. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Mortgage are joint and individual. If Mortgagor signs this Mortgage but does not sign the 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. Mortgagor agrees that Lender and any party to this Mortgage may extend, modify or make any change in the terms of this Mortgage or the Evidence of Debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Mortgage. The duties and benefits of this Mortgage shall bind and benefit the successors and assigns of Mortgagor and Lender.

If this Mortgage secures a guaranty between Lender and Mortgagor and does not directly secure the obligation which is guaranteed, 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 including, but not limited to, anti-deficiency or one-action laws.

25. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Mortgage 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 Mortgage is complete and fully integrated. This Mortgage may not be amended or modified by oral agreement. Any section or clause in this Mortgage, 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 or clause of this Mortgage cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Mortgage. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the terms of this Mortgage. Time is of the essence in this Mortgage.

26. **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 Mortgage, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

27. **WAIVER OF HOMESTEAD.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.

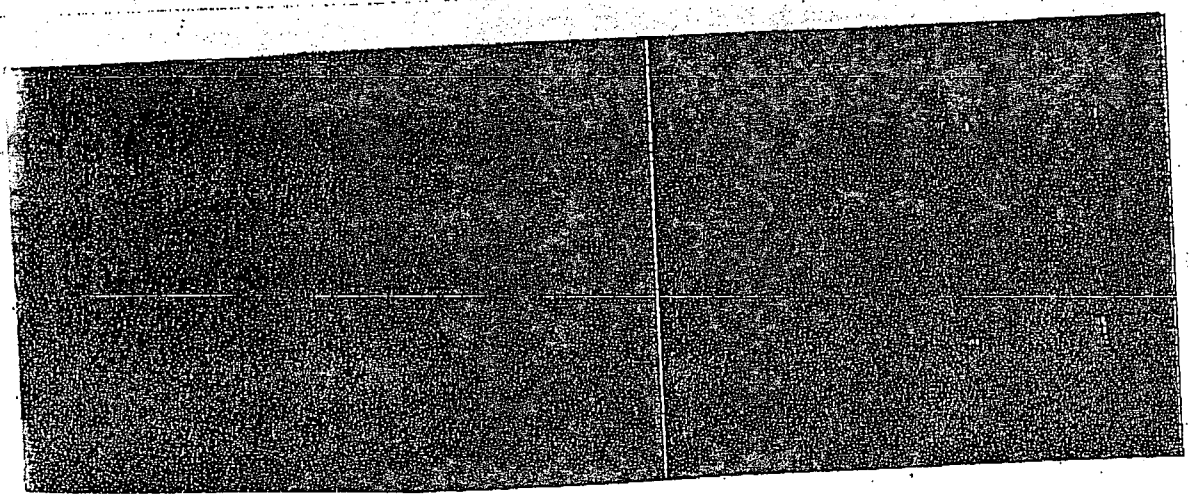
28. **U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Mortgage:

☐ **Construction Loan.** This Mortgage 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.

☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").

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☐ **Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

☐ **Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Mortgage also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the Uniform Commercial Code. A carbon, photographic, image or other reproduction of this Mortgage is sufficient as a financing statement.

29. OTHER TERMS. If checked, the following are applicable to this Mortgage:

☐ **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 Mortgage will remain in effect until released.

☒ **Waiver of Appraisal Rights.** The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may, within thirty days after the sale of the mortgaged property, apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.

☐ **Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

☐ **Additional Terms.**

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

☐ Actual authority was granted to the parties signing below by resolution signed and dated _____.

Entity Name: SAND DOLLAR 31, LLC

Rhonda L Meisner (Seal)
(Signature) RHONDA MEISNER, MEMBER (Date)

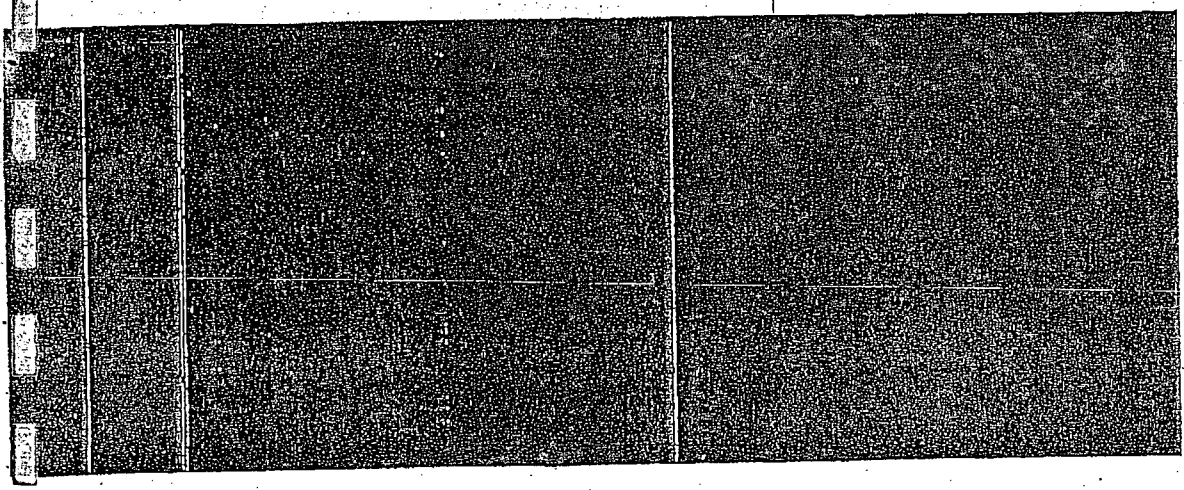
_____ (Seal)
(Signature) (Date)

Signed, sealed and delivered in the presence of:

_____
(Witness)

Rachel E. DeBruhl
(Witness)

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors, signatures and acknowledgments.



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PROBATE:

STATE OF SOUTH CAROLINA, COUNTY OF Richland) 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 24TH day of JULY, 2006

Rachel E. DeBruhl

Notary Public for South Carolina

My commission expires: 4/29/07

GEORGE E. LAFFITTE NOTARY PUBLIC SOUTH CAROLINA Exp. April 29, 2007

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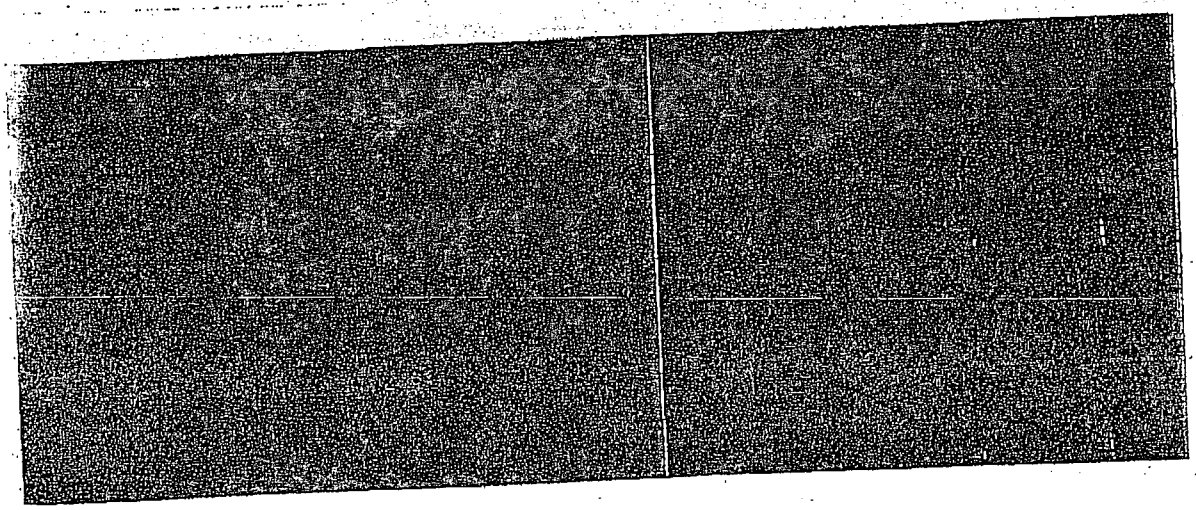
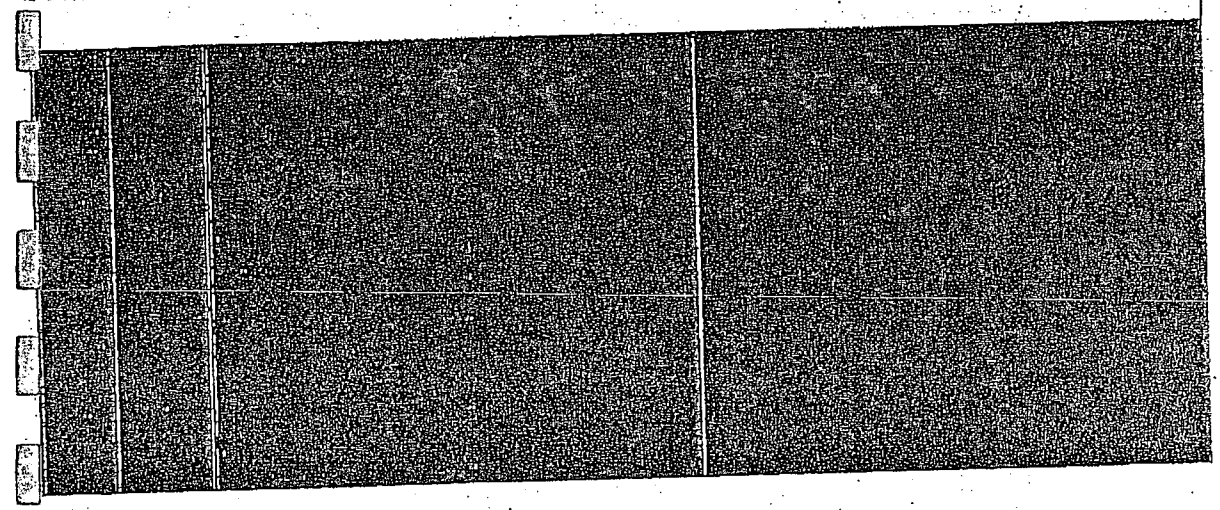


EXHIBIT "A"
(Property Description)

All that certain piece, parcel or lot of land with improvements thereon, situate, lying and being on the eastern side of Linden Street, in or near the Town of Eau Claire in the County of Richland, State of South Carolina; said lot being composed of and embracing Lot No. 12, 13, and 14 in Block 6 upon a plat of College View Subdivision, prepared by surveyors Clodfelder and Schisler, dated August-September, 1927, and recorded in Plat Book F at page 24.

This is the property conveyed to the mortgagor by deed of Joseph M. Strickland, Master - in - Equity for Richland County dated July 2006, ~~recorded [illegible]~~ Record Book 1013 page 557 herewith in the Office of Register of Deeds for Richland County.

TMS: 09313-03-21



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EXHIBIT C

GUARANTY

ORANGEBURG (City), SOUTH CAROLINA (State)

JULY 24, 2006

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce SOUTH CAROLINA BANK AND TRUST, NA (herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of SAND DOLLAR 31, LLC (herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: NOTE DATED 07-24-2006 IN THE AMOUNT OF $31,140.00 IN THE NAME OF SAND DOLLAR 31, LLC and any extensions, renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): _____.

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all Indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of $ 31,140.00 (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated _____;
☐ secured by _____.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

Rhonda L Meisner

RHONDA MEISNER

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered; rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

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STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00039)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6318

FIRST AMENDED COMPLAINT

(NON-JURY)

FORECLOSURE OF COMMERCIAL REAL ESTATE MORTGAGE
Deficiency Judgment Demanded

JEANETTE W. McBRIDE
C.C.P. & G.S.
2011 SEP 27 PM 8:35
RICHLAND COUNTY
FILED

Plaintiff alleges:

1. This is an action for the foreclosure of a commercial mortgage upon certain real estate in Richland County, South Carolina, and for entry of judgment(s) for breach of a promissory note and breach of a guaranty payment.

2. Pursuant to S.C. Code Section 33-15-101, Plaintiff is a corporation or other legal entity doing business in the State of South Carolina.

3. Plaintiff has the legal right to enforce the negotiable instrument secured by the Mortgage and is the real party in interest as defined by Rule 17(a) of the South Carolina Rules of Civil Procedure.

4. This action involves the foreclosure of a commercial loan secured by a non-owner-occupied dwelling and is not subject to the Home Affordable Modification Program ("HMP") for residential loans owned, securitized, or guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("FHLMC") or any other section if the Making Home Affordable Program.

5. Some lien on or interest in the real estate, the subject of this action, may be claimed by the Defendant(s) herein.

6. The Defendant(s) herein described as judgment creditors, if any, have by filing said judgments designated their attorney entering the judgment as their agent for service of process under the provisions of South Carolina Code Section 15-35-840.

7. Heretofore, for value received, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain promissory note ("Original Note") in the principal sum of $36,000.00, together with interest therein from that date at the rate specified in the promissory note. The Original Note is referred to herein collectively as the "Note". A copy of the Note, including all amendments thereto, is attached hereto, incorporated by reference, and marked as **Exhibit "A".**

8. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate mortgage ("Mortgage") covering the following described property and any and all improvements to the property:

All that piece, parcel or tract of land, containing .22 acres, more or less, situate, lying and being on the Southwestern side of U.S. Highway No 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being a part of the property shown and delineated on a plat prepared for Joseph C. Byrd, Jr. and Doris V. Byrd by R.E Collingwood, Jr., dated January 1, 1964 and recorded in the office of the Register of Deeds for Richland County in Plat Book "U" at page 90 and being more fully described on a plat prepared for Charles L. Duffie by Robert E. Collingwood, Jr. dated August 15, 1968 recorded December 2, 1968 in Plat Book 34 at Page 3, Office of the Register of Deeds for Richland County and according to said latter survey of the property having the following measurements and boundaries, to wit: On the North-east by U.S. Highway 321, and fronting thereon Eighty-five (85')...feet, then at right angles turning and running in a Southernly direction for One Hundred Fifty (154') feet to U.S. Highway 321.

All that piece, parcel or lot of land, containing .051 acres, more or less, situate, lying and being on the Southwestern side of U.S. Highway No. 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being the identical property shown and delineated on a plat prepared for Charles L. Duffie by Henry 2. Duffie, Jr., Registered Land Surveyor dated the 9th day of April 1976, the said property being bounded on the Northeast by U.S Highway No. 321, and fronting thereon fifteen (15') feet; then turning at right angles and running in a southerly direction for One hundred forty-eight and five-tenths (148.5') feet; then turning at a right angels and running in an easterly direction for fifteen (15') feet; then turning and running at right angles in a northeasterly direction for a distance of one hundred fifty (150') feet to the point of commencement.

This is the property conveyed to Sand Dollar 31, LLC by deed of Charles L. Duffie dated March 1, 2006, recorded March 3, 2006 in Record Book 1157 at page 3375.

TMS: 10100-01-012

9. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023. A copy of the Mortgage is attached hereto, incorporated by reference herein and marked as **Exhibit "B".**

10. The Mortgage evidences and secures the repayment of money advanced by Plaintiff or its predecessor in interest to, or on behalf of, the mortgagor(s) and constitutes a first lien on the

mortgaged premises.

11. In order to better secure payment and performance of the said Note and Mortgage, and also as a condition of Plaintiff, or Plaintiff's predecessor in interest, agreeing to extend the loan to the Borrower, Defendant Rhonda Meisner executed and delivered a Guaranty in favor of Plaintiff, or Plaintiff's predecessor in interest, its successors and assigns, dated July 24, 2006, absolutely and unconditionally guaranteeing the payment of the entire indebtedness under the terms of the Note (the "Guaranty"). A copy of the Guaranty is attached hereto, incorporated by reference herein and marked as **Exhibit "C".**

12. The Note, Mortgage and Guaranty are collectively referred to herein as the "Loan Documents".

13. After all payments received by the Plaintiff have been credited to the subject loan, the loan is in default, and the conditions of the Loan Documents have been broken. Plaintiff elects to and does declare the entire balance of said indebtedness due and payable, and that there is due the principal sum of $32,047.04, with interest, advances, late charges, and also for the costs and disbursements of this action, including attorney's fees.

FOR A FIRST CAUSE OF ACTION
(Reformation of the Deed)

14. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

15. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC, made, executed and delivered a certain Balloon Note ("Note") in the principal sum of $36,000.00, payable in monthly installments of principal and interest.

16. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate Mortgage covering the previously described property and any and all improvements to the property.

17. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023.

18. The Borrower acquired the property securing the aforementioned mortgage by deed dated March 1, 2006 and recorded in Record Book 1157 at Page 3375, in the Office of the Register of Deeds for Richland County, South Carolina.

19. The grantee name as shown on said deed is defective.

20. Through inadvertence or mistake, a space in between "Sand" and "Dollar" in the intended grantee name of "Sand Dollar 31, LLC" was omitted from the recorded Deed. Upon review of the recorded documents related to the subject property and the records of the South Carolina Secretary of State, Plaintiff is informed and believes that the grantee name should read as follows: Sand Dollar 31, LLC.

21. Plaintiff is informed and believes that it is entitled to reformation of the Deed to correct the Grantee's name on the Deed to read as described in Paragraph 20 above.

FOR A SECOND CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Foreclosure of Mortgage and Deficiency Judgment)

22. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

23. That according to the terms and conditions of the Note, it is provided that, in the event of default in the payment of any installment when due, or in the event of default under the Mortgage, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, may be declared by the holder immediately due and payable.

24. Pursuant to the Loan Documents, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, has been declared by the Plaintiff immediately due and payable.

25. Plaintiff has made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

26. The Mortgage provides that if Plaintiff institutes any suit or action to enforce any of the terms of the Mortgage, Plaintiff shall be entitled to recover all costs and expenses incurred by Plaintiff, including but not limited to attorney's fees, court costs and other legal expenses.

27. Plaintiff has been or may be forced to pay sums for taxes and insurance and costs for securing the property, which sums, according to the terms of the Mortgage, should be added to the amount of the debt.

28. Pursuant to the terms of the Mortgage and applicable state law, Plaintiff requests the mortgage be foreclosed and that the property be sold at public auction in accordance with law, subject to any liens for taxes, special assessments of record against such property, and existing easements or restrictions of record.

29. Plaintiff has the right to seek a deficiency judgment against the Borrower, Defendant

Sand Dollar 31, LLC. That in the event that the net amount realized by the Plaintiff upon the sale of the subject property is insufficient to pay in full the total indebtedness of the Plaintiff, including costs of collection, the Plaintiff demands a personal judgment against said Defendant in the amount of such deficiency.

FOR A THIRD CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Breach of Contract)

30. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

31. Plaintiff made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

32. It has become and is necessary for the Plaintiff to employ legal counsel to prosecute this action, and that the fee for the services of the Plaintiff's counsel should, according to the terms of the Note, be added to the amount of the debt.

33. There is currently due and owing on the Note the principal sum of $32,047.04, with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorneys' fees and court costs; and Plaintiff is entitled to judgment against Borrower in that amount.

FOR A FOURTH CAUSE OF ACTION
(Against Defendant Rhonda Meisner)
(Breach of Personal Guaranty)

34. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

35. According to the terms of the Guaranty, Defendant **Rhonda Meisner** irrevocably, absolutely and unconditionally guaranteed to Plaintiff the full payment and prompt performance of each and every obligation of the Borrower, and agreed to pay upon demand all of the principal amount of the Note, interest thereon and all collection costs, expenses, and reasonable attorney's fees.

36. Guarantor agreed that the Guaranty would continue in full force until all indebtedness of the Borrower under the terms of the Loan Documents shall have been fully and finally paid and satisfied, and all of Guarantor's obligations under the Guaranty had been performed in full.

37. Pursuant to the terms of the Guaranty, Plaintiff is not required to resort for payment, or to proceed directly against any person or entity, including Borrower.

38. Plaintiff has made demand upon Guarantor for immediate payment in full of the total amount then due and owing on the Note, in response to which Guarantor failed to provide payment in full.

39. There is currently due and owing on the Note the principal sum of $32,047.04 with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorney's fees and court costs; and Plaintiff is entitled to judgment against Guarantor in that amount.

FOR A FIFTH CAUSE OF ACTION
(Declaratory Judgment that Mobile/Manufactured Home is Subject to the Lien of Plaintiff's Mortgage)

40. The Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

41. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain Note ("Note") in the principal sum of $36,000.00, payable in monthly installments of principal and interest.

42. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate mortgage ("Mortgage") covering the previously described property and any and all improvements to the property, including but not limited to a mobile/manufactured home: 2 bedroom, one bath, bricked-in 1969 Mobile Home.

43. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023.

44. Upon information and belief, there sits upon the realty which is described above a mobile/manufactured home described as a 2 bedroom, one bath, bricked-in 1969 Mobile Home.

45. Upon information and belief, when Sand Dollar 31, LLC applied for a mortgage loan from Plaintiff or Plaintiff's predecessor-in-interest South Carolina Bank and Trust, N.A., Sand Dollar 31, LLC represented that (s)he /it owned or was purchasing all the property which is the subject of this litigation and that (s)he/it was willing to execute a mortgage upon the entire property, that is the realty described herein and all improvements thereon, that is the mobile/manufactured home to secure the mortgage loan.

46. In reliance upon the representations of Sand Dollar 31, LLC, the property, including the mobile/manufactured home, was appraised and, in reliance upon the appraised value of the entire property, a mortgage loan was extended to Sand Dollar 31, LLC with the intent that the loan would be

secured by a mortgage loan upon the realty described herein and all improvements thereon, including the mobile/manufactured home.

47. That, to evidence the parties' intention that the loan would be secured by all of the property of Sand Dollar 31, LLC located at 8391 Winnsboro Road, Blythewood, SC 29016 including the mobile/manufactured home, on or about July 24, 2006, the Defendant Sand Dollar 31, LLC executed a mortgage, in which (s)he/it mortgaged to South Carolina Bank and Trust, N.A. the realty which is described herein, and which includes any improvements located thereon.

48. The relationship between Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., Borrower and Lender, respectively, is such that a reasonable person would expect South Carolina Bank and Trust, N.A. to require that its loan be secured by a mortgage upon all of Sand Dollar 31, LLC property, including the mobile/manufactured home, and that a reasonable person would expect Sand Dollar 31, LLC to mortgage all of the property, including the mobile/manufactured home, in exchange for receiving the mortgage loan.

49. Because Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., in furtherance of their relationship as Borrower and Lender, respectively, intended for the mobile/manufactured home to secure the mortgage loan to Sand Dollar 31, LLC, the Plaintiff is informed and believes that, pursuant to S.C. Code Ann. § 15-53-20, et seq., it is entitled to a declaratory judgment that the mobile/manufactured home is an improvement to the property which is the subject of this action and that it is subject to the lien of the Plaintiff's mortgage.

50. Because Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., in furtherance of their relationship as Borrower and Lender, respectively, intended for the mobile/manufactured home to be an improvement permanently affixed to the property which is the subject of this action and that it is subject to the lien of the Plaintiff's mortgage, the Plaintiff is informed and believes that it is entitled to an order requiring the South Carolina Department of Motor Vehicles to issue a title for said mobile/manufactured home to be retired, pursuant to S.C. Code Ann. §15-19-500, et seq.

WHEREFORE, having fully set forth its Complaint, Plaintiff prays that this Honorable Court inquire into the matters as set forth herein and:

(1) Under the direction of this Court, ascertain and determine the amount due upon the Note and Mortgage held by Plaintiff together with attorney's fees and costs of this action.

(2) Declare Plaintiff's Mortgage a first lien and render judgment of foreclosure for the amount so found to be due and owing thereon, together with any ad valorem taxes, or insurance premiums, and any other expenses which may be due and have been advanced by Plaintiff, with

reasonable attorney's fees, and for the costs of this action.

(3) Order the reimbursement of all costs for inspecting and securing the property incurred by the Plaintiff as a result of the delinquency.

(4) Appoint a Receiver to collect the rents, issues, profits or designated sums from the mortgagor(s), and/or the grantee(s) of the mortgagor(s), and/or tenant(s) occupying or exercising control over the mortgaged premises and hold the same subject to the further order of this Court.

(5) Under the direction of this Court, sell the mortgaged premises, bar any equity of redemption, and apply the proceeds of sale as follows:

First, to the costs and expenses of the within action and sale;

Second, to the payment and discharge of the amount due on Plaintiff's Note and Mortgage, together with attorney's fees as aforesaid; and

Third, to the distribution of any surplus pursuant to Rule 71, of the South Carolina Rules of Civil Procedure;

(6) Issue an order directing the Sheriff of Richland County, South Carolina, to place the successful purchaser at said foreclosure sale in possession of the property should the same become necessary;

(7) On the First Cause of Action, for an order granting Plaintiff reformation of the Deed to correct the grantee name as set forth herein; and

(8) On the Second Cause of Action, for an order granting the Plaintiff a deficiency judgment against Defendant Sand Dollar 31, LLC, in the event that the proceeds of the sale of the mortgaged property are insufficient to pay in full the indebtedness, including costs of collection;

(9) On the Third Cause of Action a judgment against Borrower in the amount set forth above;

(10) On the Fourth Cause of Action, for an order granting Plaintiff a judgment against Guarantors in the amount set forth above, less any sums which Plaintiff may recover from Borrower on the Note;

(11) On the Fifth Cause of Action for an order granting Plaintiff a declaratory judgment that Mobile/Manufactured Home is Subject to the Lien of Plaintiff's Mortgage and for an order demanding the South Carolina Department of Motor Vehicles to issue a title to said Mobile/Manufactured Home for it to be retired; and

(12) Order such other and further relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEY FOR PLAINTIFF
Teri K. Stomski (SC Bar # 65250)
220 Executive Center Drive
Columbia, SC 29210
Post Office Box 100200 (29202)
(803) 771-7900

Columbia, South Carolina
September 27, 2011

EXHIBIT "A"

SAND DOLLAR 31, LLC 1 CHESTER ROAD BLYTHEWOOD, SC 29016 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	SOUTH CAROLINA BANK AND TRUST, NA 950 JOHN C CALHOUN DRIVE PO BOX 9007 ORANGEBURG, SC 29115 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	IESP CODE 526 Loan Number [redacted] Date 07-24-2008 Maturity Date 07-25-2011 Loan Amount $ 36,000.00 Renewal Of

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of THIRTY SIX THOUSAND AND NO/100 Dollars $ 36,000.00

☒ Single Advance: I will receive all of this principal sum on 07-24-2008. 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 07-24-2008 at the rate of 8.500% per year until 07-25-2011.

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

☐ Index Rate: The future rate will be _____ the following index rate: _____

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

☐ Frequency and Timing: The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____.

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____.

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $25.00.

☐ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____.

PAYMENTS: I agree to pay this note as follows:

59 MONTHLY PAYMENTS OF $315.38 BEGINNING 08-25-2008 AND 1 BALLOON PAYMENT OF $32,098.90 ON 07-25-2011.

ADDITIONAL TERMS:

☒ SECURITY: This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2008

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

PURPOSE: The purpose of this loan is REFINANCE REAL ESTATE.

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

SAND DOLLAR 31, LLC

Signature for Lender

RHONDA MEISNER, MEMBER

VE WILSON, PRIVATE BANKER

SOUTH CAROLINA - UNIVERSAL NOTE

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DEFINITIONS: As used on page 1, "I" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance due date for which you properly accelerate under this note.

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

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

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

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a pissession hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
				$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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EXHIBIT "B"

Instrument: 2006069846 Book/Page: R 1214 : 2023 DateTime: 08/04/2006 13:56:31:300 Document: 06

Book 1214-2023
2006069846 08/04/2006 13:56:31:300 Mortgage
Fee:$15.00 County Tax:$0.00 State Tax:$0.00

This document was prepared by (name, address, phone):
SOUTH CAROLINA BANK AND TRUST, N.A.
950 JOHN C. CALHOUN DRIVE
ORANGEBURG, SC 29115
(803) 534-2175

2006069846 John D. Kerns Richland County ROD

State of South Carolina — Space Above This Line For Recording Data

REAL ESTATE MORTGAGE
(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage is 07-24-2006 and the parties and their addresses are as follows:

MORTGAGOR: SAND DOLLAR 31, LLC
1 CHESTER ROAD
BLYTHEWOOD, SC 29016

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors.

LENDER: SOUTH CAROLINA BANK AND TRUST, NA
ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA
950 JOHN C CALHOUN DRIVE
PO BOX 8007 ORANGEBURG, SC 29116

2. **MORTGAGE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
SEE ADDENDUM ATTACHED

The property is located in ~~SPARTANBURG~~ RICHLAND (County) at 8391 WINNSBORO HIGHWAY (Address), BLYTHEWOOD (City), South Carolina 29016 (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, 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"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

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Instrument: 2006069846 Book/Page: R 1214 : 2024 DateTime: 08/04/2006 13:56:31:300 Document: 08

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Secured Debt (hereafter defined) secured by this Mortgage at any one time shall not exceed $ 72,000.00 . This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Lender's security and to perform any of the covenants contained in this Mortgage. 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. Future advances are contemplated and, along with other future obligations, are secured by this Mortgage even though all or part may not yet be advanced. Nothing in this Mortgage, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. **SECURED DEBT DEFINED.** The term "Secured Debt" includes, but is not limited to, the following:
   A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt) *(e.g., borrower's name, note amount, interest rate, maturity date)*:

      NOTE DATED 07-24-2006 IN THE AMOUNT OF $36,000.00 IN THE NAME OF SAND DOLLAR 31, LLC

   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 existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the evidence of debt.
   C. All obligations Mortgagor owes to Lender, which now exist or 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 Mortgage, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.
   E. Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Lender and any Mortgage securing, guarantying, or otherwise relating to the debt.

   If more than one person signs this Mortgage as Mortgagor, each Mortgagor agrees that this Mortgage will secure all future advances and future obligations described above that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. This Mortgage will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Mortgage or if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Mortgage.

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

7. **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 Mortgage. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the Property.

8. **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 and that may have priority over this Mortgage, 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 make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.

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 any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest in all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Mortgage is released.

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10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Mortgagor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership or similar entity; or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Mortgage.

11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:
   A. Mortgagor is an entity which is duly organized and validly existing in the Mortgagor's state of incorporation (or organization). Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
   B. The execution, delivery and performance of this Mortgage by Mortgagor and the obligation evidenced by the Evidence of Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
   C. Other than disclosed in writing Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

12. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will give Lender prompt notice of any loss or damage to the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Mortgagor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Mortgagor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Mortgage. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any of Mortgagor's duties under this Mortgage, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Mortgage, Lender may, without notice, perform the duties 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. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

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 Mortgage. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).
   A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
   B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive

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any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

15. CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. 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.

16. DEFAULT. Mortgagor will be in default if any of the following occur:

A. Any party obligated on the Secured Debt fails to make payment when due;
B. A breach of any term or covenant in this Mortgage, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any person or entity obligated on the Secured Debt;
E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

17. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to those limitations, if any, Lender may accelerate the Secured Debt and foreclose this Mortgage in a manner provided by law if this 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 Evidence of Debt, other evidences of debt, this Mortgage 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 expressly set forth or not. 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 full and 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.

18. 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 Mortgage. Mortgagor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Mortgagor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Mortgage, including, but not limited to, attorneys' fees, court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Mortgage and Mortgagor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.

19. 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.), 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

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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, except as previously disclosed and acknowledged in writing:

A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.

F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Mortgage and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Lender's rights under this Mortgage.

L. Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Mortgage regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Mortgagor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. 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 Mortgage. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. **INSURANCE.** Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding three sentences can change during the term of the Secured Debt. 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 Mortgage.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender 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.

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

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. 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.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. **NO 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.

23. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Mortgagor warrants that all financial statements and information Mortgagor provides to Lender are, or will be, accurate, correct, and complete. Mortgagor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Mortgage and Lender's lien status on the Property. If Mortgagor fails to do so, Lender may sign, deliver, and file such documents or certificates in Mortgagor's name and Mortgagor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.

24. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Mortgage are joint and individual. If Mortgagor signs this Mortgage but does not sign the 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. Mortgagor agrees that Lender and any party to this Mortgage may extend, modify or make any change in the terms of this Mortgage or the Evidence of Debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Mortgage. The duties and benefits of this Mortgage shall bind and benefit the successors and assigns of Mortgagor and Lender.

If this Mortgage secures a guaranty between Lender and Mortgagor and does not directly secure the obligation which is guaranteed, 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 including, but not limited to, anti-deficiency or one-action laws.

25. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Mortgage 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 Mortgage is complete and fully integrated. This Mortgage may not be amended or modified by oral agreement. Any section or clause in this Mortgage, 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 or clause of this Mortgage cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Mortgage. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the terms of this Mortgage. Time is of the essence in this Mortgage.

26. **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 Mortgage, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

27. **WAIVER OF HOMESTEAD.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.

28. **U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Mortgage:

- ☐ **Construction Loan.** This Mortgage 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.
- ☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs, all of which shall also be included in the term "Property".

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Richland County Register of Deeds

Richard W. Roddon

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Instrument: 2006069846 Book/Page: R 1214 : 2029 DateTime: 08/04/2006 13:56:31:300 Document: 06

PROBATE:

STATE OF SOUTH CAROLINA, COUNTY OF RICHLAND } 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 24TH day

of JULY, 2006

Notary Public for South Carolina

My commission expires: 4/27/07

Rachel E. DeBuld

Richland County Register of Deeds

Richard W. Rodden

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Instrument: 2006069846 Book/Page: R 1214 : 2030 DateTime: 08/04/2006 13:56:31:300 Document: 06

☐ Personal Property. Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

☐ Filing As Financing Statement. Mortgagor agrees and acknowledges that this Mortgage also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the Uniform Commercial Code. A carbon, photographic, image or other reproduction of this Mortgage is sufficient as a financing statement.

28. OTHER TERMS. If checked, the following are applicable to this Mortgage:

☐ 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 Mortgage will remain in effect until released.

☒ Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may, within thirty days after the sale of the mortgaged property, apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.

☐ Separate Assignment. The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

☐ Additional Terms.

Richland County Register of Deeds

Richard W. Rodden

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

☐ Actual authority was granted to the parties signing below by resolution signed and dated _____.

Entity Name: SAND DOLLAR 31, LLC

_____ (Seal)
(Signature) RHONDA MEISNER, MEMBER (Date)

_____ (Seal)
(Signature) (Date)

Signed, Sealed and delivered in the presence of:

_____
(Witness)

_____
(Witness)

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors, signatures and acknowledgments.

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Instrument: 2006069848 Book/Page: R 1214 : 2031 DateTime: 08/04/2006 13:56:31:300 Document: 06

Richland County Register of Deeds

Richard W. Rodden

Exhibit A

All that piece, parcel or tract of land, containing .22 acres, more or less, situate, lying and being on the Southwestern side of U.S Highway No 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being a part of the property shown and delineated on a plat prepared for Joseph C. Byrd, Jr. and Doris V. Byrd by R.E Collingwood, Jr., dated January 1, 1964 and recorded in the office of the Register of Deeds for Richland County in Plat Book "U" at page 90 and being more fully described on a plat prepared for Charles L. Duffie by Robert E. Collingwood, Jr. dated August 15, 1968 recorded December 2, 1968 in plat book 34 at page 3, Office of the Register of Deeds for Richland County and according to said latter survey of the property having the following measurements and boundaries, to wit: On the North-east by U.S Highway 321, and fronting thereon Eighly-five (85')... feet, then at right angles turning and running in a Southernly direction for On Hundred Fifty (154') feet to U.S Highway 321.

All that piece, parcel or lot of land, containing .051 acres, more or less, situate, lying and being on the Southwestern side of U.S Highway No. 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being the identical property shown and delineated on a plat prepared for Charles L. Duffie by Henry 2. Duffie, Jr., Registered Land Surveyor dated the 9th day of April 1976, the said property being bounded on the Northeast by U.S Highway No. 321 and fronting thereon fifteen (15') feet; then turning at right angles and running in a southerly direction for One hundred forty-eight and five-tenths (148.5') feet; then turning at a right angles and running in an easterly direction for fifteen (15') feet; then turning and running at right angles in a northeasterly direction for a distance of one hundred fifty (150') feet to the point of commencement.

This is the property conveyed to Sand Dollar 31, LLC by deed of Charles L. Duffie dated March 1, 2006, reocrded March 3, 2006 in Record Book 1157 at page 3375.

TMS: 10100-01-12

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EXHIBIT "C"

GUARANTY

ORANGEBURG (City) Cola, SOUTH CAROLINA (State)

JULY 24, 2006

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce SOUTH CAROLINA BANK AND TRUST, NA (herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of SAND DOLLAR 31, LLC (herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: NOTE DATED 07-24-2006 IN THE AMOUNT OF $36,000.00 IN THE NAME OF SAND DOLLAR 31, LLC and any extensions, renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): _____.

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all Indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of $ 36,000.00 (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated _____;
☐ secured by _____.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

RHONDA MEISNER

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

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ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

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STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

v.

Sand Dollar 31, LLC;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO.

COMPLAINT

(NON-JURY)

FORECLOSURE OF COMMERCIAL REAL ESTATE MORTGAGE &
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2011 SEP 22 AM 11:17
JEANETTE W. McBRIDE
C.C.C.P. & G.S.

Plaintiff alleges:

1. This is an action for the foreclosure of a commercial mortgage upon certain real estate in Richland County, South Carolina, and for entry of judgment(s) for breach of a promissory note and breach of a guaranty payment.

2. Pursuant to S.C. Code Section 33-15-101, Plaintiff is a corporation or other legal entity doing business in the State of South Carolina.

3. Plaintiff has the legal right to enforce the negotiable instrument secured by the Mortgage and is the real party in interest as defined by Rule 17(a) of the South Carolina Rules of Civil Procedure.

4. This action involves the foreclosure of a commercial loan secured by a non-owner-occupied dwelling and is not subject to the Home Affordable Modification Program ("HMP") for residential loans owned, securitized, or guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("FHLMC") or any other section if the Making Home Affordable Program.

5. Some lien on or interest in the real estate, the subject of this action, may be claimed by the Defendant(s) herein.

6. The Defendant(s) herein described as judgment creditors, if any, have by filing said judgments designated their attorney entering the judgment as their agent for service of process under the

provisions of South Carolina Code Section 15-35-840.

7. Heretofore, for value received, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain promissory note ("Original Note") in the principal sum of $31,140.00, together with interest therein from that date at the rate specified in the promissory note. On July 31, 2007, Borrower executed and delivered to South Carolina Bank and Trust, N.A. a Note in writing, according to the terms and conditions set out therein, which amended certain terms of the Original Note (the "First Amendment"). Thereafter South Carolina Bank & Trust N.A. changed its name to SCBT, N.A. The Original Note and the First Amendment are referred to herein collectively as the "Note". A copy of the Note, including all amendments thereto, is attached hereto, incorporated by reference, and marked as **Exhibit "A".**

8. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. n/k/a SCBT, N.A., a certain real estate mortgage ("Mortgage") covering the following described property and any and all improvements to the property:

All that certain piece, parcel or lot of land with improvements thereon situate, lying and being on the eastern side of Linden Street, in or near the Town of Eau Claire in the County of Richland, State of South Carolina; said lot being composed of and embracing Lot No. 12, 13 and 14 in Block 6 upon a plat of College View Subdivision, prepared by surveyors Clodfelder and Schisler, dated August-September, 1927 and recorded in Plat Book F at page 24. TMS# 09313-03-21.

This being the same property conveyed to Sand Dollar 31, LLC by that deed of Master of Equity for Richland County by deed dated July 20, 2006 and recorded August 2, 200 6 in Record Book 1213 at page 554

TMS: 09313-03-21

9. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 16, 2006, in Mortgage Book 1218 at Page 2100. A copy of the Mortgage is attached hereto, incorporated by reference herein and marked as **Exhibit "B".**

10. The Mortgage evidences and secures the repayment of money advanced by Plaintiff or its predecessor in interest to, or on behalf of, the mortgagor(s) and constitutes a first lien on the mortgaged premises.

11. In order to better secure payment and performance of the said Note and Mortgage, and also as a condition of Plaintiff, or Plaintiff's predecessor in interest, agreeing to extend the loan to the Borrower, Defendant Rhonda Meisner executed and delivered a Guaranty in favor of Plaintiff, or Plaintiff's predecessor in interest, its successors and assigns, dated July 24, 2006, absolutely and

unconditionally guaranteeing the payment of the entire indebtedness under the terms of the Note (the "Guaranty"). A copy of the Guaranty is attached hereto, incorporated by reference herein and marked as **Exhibit "C".**

12. The Note, Mortgage and Guaranty are collectively referred to herein as the "Loan Documents".

13. After all payments received by the Plaintiff have been credited to the subject loan, the loan is in default, and the conditions of the Loan Documents have been broken. Plaintiff elects to and does declare the entire balance of said indebtedness due and payable, and that there is due the principal sum of $48,698.20, with interest, advances, late charges, and also for the costs and disbursements of this action, including attorney's fees.

FOR A FIRST CAUSE OF ACTION
(Reformation of the Deed)

14. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

15. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC, made, executed and delivered a certain Balloon Note ("Note") in the original principal sum of $31,140.00, payable in monthly installments of principal and interest.

16. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate Mortgage covering the previously described property and any and all improvements to the property.

17. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 16, 2006, in Mortgage Book 1218 at Page 2100.

18. The Borrower acquired the property securing the aforementioned mortgage by deed dated July 20, 2006 and recorded in Record Book 1213 at Page 554, in the Office of the Register of Deeds for Richland County, South Carolina.

19. The grantee name as shown on said deed is defective.

20. Through inadvertence or mistake, a space in between "Sand" and "Dollar" in the intended grantee name of "Sand Dollar 31, LLC" was omitted from the recorded Deed. Upon review of the recorded documents related to the subject property and the records of the South Carolina Secretary of State, Plaintiff is informed and believes that the grantee name should read as follows: Sand Dollar 31, LLC.

FOR A SECOND CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Foreclosure of Mortgage and Deficiency Judgment)

21. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

22. That according to the terms and conditions of the Note, it is provided that, in the event of default in the payment of any installment when due, or in the event of default under the Mortgage, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, may be declared by the holder immediately due and payable.

23. Pursuant to the Loan Documents, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, has been declared by the Plaintiff immediately due and payable.

24. Plaintiff has made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

25. The Mortgage provides that if Plaintiff institutes any suit or action to enforce any of the terms of the Mortgage, Plaintiff shall be entitled to recover all costs and expenses incurred by Plaintiff, including but not limited to attorney's fees, court costs and other legal expenses.

26. Plaintiff has been or may be forced to pay sums for taxes and insurance and costs for securing the property, which sums, according to the terms of the Mortgage, should be added to the amount of the debt.

27. Pursuant to the terms of the Mortgage and applicable state law, Plaintiff requests the mortgage be foreclosed and that the property be sold at public auction in accordance with law, subject to any liens for taxes, special assessments of record against such property, and existing easements or restrictions of record.

28. Plaintiff has the right to seek a deficiency judgment against the Borrower, Defendant Sand Dollar 31, LLC. That in the event that the net amount realized by the Plaintiff upon the sale of the subject property is insufficient to pay in full the total indebtedness of the Plaintiff, including costs of collection, the Plaintiff demands a personal judgment against said Defendant in the amount of such deficiency.

FOR A THIRD CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Breach of Contract)

29. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

30. Plaintiff made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

31. It has become and is necessary for the Plaintiff to employ legal counsel to prosecute this action, and that the fee for the services of the Plaintiff's counsel should, according to the terms of the Note, be added to the amount of the debt.

32. There is currently due and owing on the Note the principal sum of $48,698.20, with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorneys' fees and court costs; and Plaintiff is entitled to judgment against Borrower in that amount.

FOR A FOURTH CAUSE OF ACTION
(Against Defendant Rhonda Meisner)
(Breach of Personal Guaranty)

33. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

34. According to the terms of the Guaranty, Defendant **Rhonda Meisner** irrevocably, absolutely and unconditionally guaranteed to Plaintiff the full payment and prompt performance of each and every obligation of the Borrower, and agreed to pay upon demand all of the principal amount of the Note, interest thereon and all collection costs, expenses, and reasonable attorney's fees.

35. Guarantor agreed that the Guaranty would continue in full force until all indebtedness of the Borrower under the terms of the Loan Documents shall have been fully and finally paid and satisfied, and all of Guarantor's obligations under the Guaranty had been performed in full.

36. Pursuant to the terms of the Guaranty, Plaintiff is not required to resort for payment, or to proceed directly against any person or entity, including Borrower.

37. Plaintiff has made demand upon Guarantor for immediate payment in full of the total amount then due and owing on the Note, in response to which Guarantor failed to provide payment in full.

38. There is currently due and owing on the Note the principal sum of $48,698.20 with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorney's fees and court costs; and Plaintiff is entitled to judgment against Guarantor in that amount.

WHEREFORE, having fully set forth its Complaint, Plaintiff prays that this Honorable Court inquire into the matters as set forth herein and:

(1) Under the direction of this Court, ascertain and determine the amount due upon the Note and Mortgage held by Plaintiff together with attorney's fees and costs of this action.

(2) Declare Plaintiff's Mortgage a first lien and render judgment of foreclosure for the amount so found to be due and owing thereon, together with any ad valorem taxes, or insurance premiums, and any other expenses which may be due and have been advanced by Plaintiff, with reasonable attorney's fees, and for the costs of this action.

(3) Order the reimbursement of all costs for inspecting and securing the property incurred by the Plaintiff as a result of the delinquency.

(4) Appoint a Receiver to collect the rents, issues, profits or designated sums from the mortgagor(s), and/or the grantee(s) of the mortgagor(s), and/or tenant(s) occupying or exercising control over the mortgaged premises and hold the same subject to the further order of this Court.

(5) Under the direction of this Court, sell the mortgaged premises, bar any equity of redemption, and apply the proceeds of sale as follows:

First, to the costs and expenses of the within action and sale;

Second, to the payment and discharge of the amount due on Plaintiff's Note and Mortgage, together with attorney's fees as aforesaid; and

Third, to the distribution of any surplus pursuant to Rule 71, of the South Carolina Rules of Civil Procedure;

(6) Issue an order directing the Sheriff of Richland County, South Carolina, to place the successful purchaser at said foreclosure sale in possession of the property should the same become necessary;

(7) On the First Cause of Action, for an order granting Plaintiff reformation of the Deed to correct the grantee name as set forth herein; and

(8) On the Second Cause of Action, for an order granting the Plaintiff a deficiency judgment against Defendant Sand Dollar 31, LLC, in the event that the proceeds of the sale of the mortgaged property are insufficient to pay in full the indebtedness, including costs of collection;

(9) On the Third Cause of Action a judgment against Borrower in the amount set forth above;

(10) On the Fourth Cause of Action, for an order granting Plaintiff a judgment against Guarantors in the amount set forth above, less any sums which Plaintiff may recover from Borrower on the Note; and

(11) Order such other and further relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEY FOR PLAINTIFF
Teri K. Stomski (SC Bar # 65250)
220 Executive Center Drive
Columbia, SC 29210
Post Office Box 100200 (29202)
(803) 771-7900

Columbia, South Carolina
September 20, 2011

EXHIBIT A

SAND DOLLAR 31, LLC 1 CHESTER ROAD BLYTHEWOOD, SC 29016 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	SOUTH CAROLINA BANK AND TRUST, NA 950 JOHN C CALHOUN DRIVE PO BOX 9007 ORANGEBURG, SC 29115 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	RESP CODE 526 Loan Number [redacted] Date 07-24-2006 Maturity Date 07-15-2007 Loan Amount $ 31,140.00 Renewal Of

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of THIRTY ONE THOUSAND ONE HUNDRED FORTY AND NO/100 Dollars $ 31,140.00

☒ **Single Advance:** I will receive all of this principal sum on 07-24-2006. 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 07-24-2006 at the rate of 8.500% per year until 07-15-2007.

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

☐ **Index Rate:** The future rate will be _____ the following index rate: _____

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

☐ **Frequency and Timing:** The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____.

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____.

☒ **LATE CHARGE:** If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $25.00.

☐ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____.

PAYMENTS: I agree to pay this note as follows:

11 MONTHLY INTEREST PAYMENTS RANGING FROM $161.78 TO $227.93 BEGINNING 08-15-2006 AND 1 PAYMENT OF $31,360.58 ON 07-15-2007.

ADDITIONAL TERMS:

[illegible] JUL 10 2006

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2006

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

PURPOSE: The purpose of this loan is PURCHASE REAL ESTATE.

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

SAND DOLLAR 31, LLC

Rhonda L Meisner

RHONDA MEISNER, MEMBER

Signature for Lender

ANNE WILSON, PRIVATE BANKER

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DEFINITIONS: As used on page 1, "**I**" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

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

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

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

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a preseizure hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
				$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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SAND DOLLAR 31, LLC ONE CHESTER ROAD BLYTHEWOOD, SC 29016 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	SOUTH CAROLINA BANK AND TRUST, NA 950 JOHN C CALHOUN DRIVE PO BOX 8007 ORANGEBURG, SC 29115 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	RESP CODE 526 Loan Number 11742509 R Date 07-31-2007 Maturity Date 07-31-2012 Loan Amount $ 50,000.00 Renewal Of 11742509

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of FIFTY THOUSAND AND NO/100 Dollars $ 50,000.00

☒ Single Advance: I will receive all of this principal sum on 07-31-2007. 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 07-31-2007 at the rate of 6.500% per year until 07-31-2012

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

☐ Index Rate: The future rate will be _____ the following index rate: _____

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

☐ Frequency and Timing: The rate on this note may change as often as _____. A change in the interest rate will take effect _____

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____

☒ LATE CHARGE: If a payment is not made within 10 days after it is due, I agree to pay a late charge of 6.000% OF THE LATE AMOUNT WITH A MIN OF $25.00

☐ ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:

59 MONTHLY PAYMENTS OF $437.89 BEGINNING 08-31-2007 AND 1 BALLOON PAYMENT OF $44,582.33 ON 07-31-2012.

ADDITIONAL TERMS: PREPAYMENT PROVISION: IF ANY AMOUNT OF PRINCIPAL IS PREPAID, BORROWER AGREES TO PAY TO LENDER, AT THE TIME OF PREPAYMENT, 3% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE FIRST ANNIVERSARY DATE OF THE NOTE, 2% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE SECOND ANNIVERSARY DATE OF THE NOTE AND 1% OF THE AMOUNT OF PRINCIPAL PREPAID PRIOR TO THE THIRD ANNIVERSARY DATE OF THE NOTE.

☒ SECURITY: This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2006

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

PURPOSE: The purpose of this loan is RENEW AND CASH OUT EXISTING LOAN

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

SAND DOLLAR 31, LLC

Signature for Lender

ANNE WILSON, PRIVATE BANKER

RHONDA MEISNER, MEMBER

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DEFINITIONS: As used on page 1, "I" means the terms that apply to this loan. "it" "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed and credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance due date for which you properly accelerate under this note.

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

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

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

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a prosecure hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	
	$		$	$	%	$	

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EXHIBIT B

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Book 1218-2100
2005073884 08/16/2005 09:12:23:130 Mortgage
Fee:$15.00 County Tax:$0.00 State Tax:$0.00

2005073884 John O. Norris Richland County ROD

This document was prepared by (name, address, phone):
SOUTH CAROLINA BANK AND TRUST, N.A.
950 JOHN C. CALHOUN DRIVE
ORANGEBURG, SC 29115
(803) 534-2175

State of South Carolina — Space Above This Line For Recording Data

REAL ESTATE MORTGAGE
(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage is 07-24-2005 and the parties and their addresses are as follows:

MORTGAGOR: SAND DOLLAR 31, LLC
1 CHESTER ROAD
BLYTHEWOOD, SC 29016

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors.

LENDER: SOUTH CAROLINA BANK AND TRUST, NA
ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA
950 JOHN C CALHOUN DRIVE
PO BOX 9007 ORANGEBURG, SC 29115

2. **MORTGAGE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
SEE ADDENDUM ATTACHED

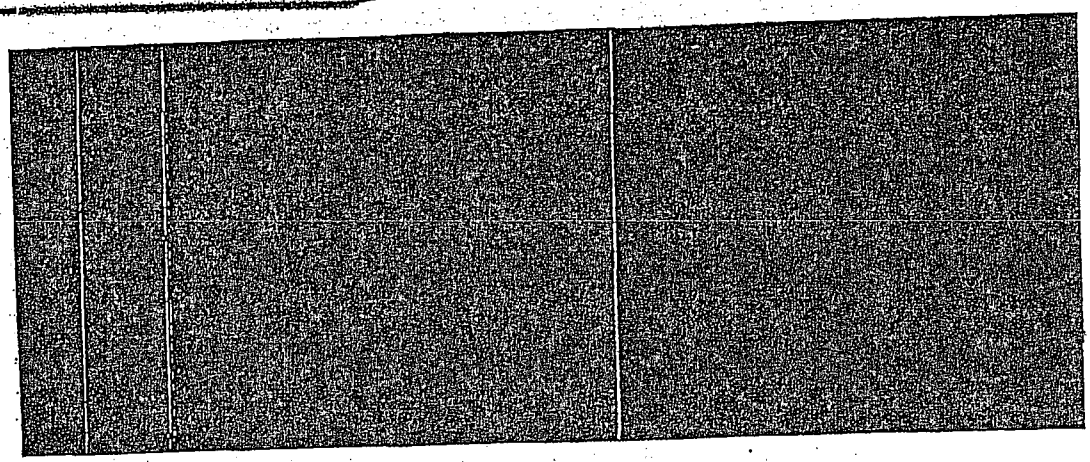
The property is located in RICHLAND (County) at 4824 LINDEN STREET (Address), COLUMBIA (City), South Carolina 29203 (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, 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"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

(page 1 of 8)

SOUTH CAROLINA - AGRICULTURAL/COMMERCIAL REAL ESTATE SECURITY INSTRUMENT (NOT FOR FHMA, FHLMC, FHA OR VA USE, AND NOT FOR CONSUMER PURPOSES)

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Secured Debt (hereafter defined) secured by this Mortgage at any one time shall not exceed $ 62,280.00 . This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Lender's security and to perform any of the covenants contained in this Mortgage. 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. Future advances are contemplated and, along with other future obligations, are secured by this Mortgage even though all or part may not yet be advanced. Nothing in this Mortgage, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. **SECURED DEBT DEFINED.** The term "Secured Debt" includes, but is not limited to, the following:
   A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt) *(e.g., borrower's name, note amount, interest rate, maturity date)*:

      NOTE DATED 07-24-2008 IN THE AMOUNT OF $31,140.00 IN THE NAME OF SAND DOLLAR 31, LLC

   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 existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the evidence of debt.
   C. All obligations Mortgagor owes to Lender, which now exist or 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 Mortgage, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.
   E. Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Lender and any Mortgage securing, guarantying, or otherwise relating to the debt.

   If more than one person signs this Mortgage as Mortgagor, each Mortgagor agrees that this Mortgage will secure all future advances and future obligations described above that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. This Mortgage will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Mortgage or if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Mortgage.

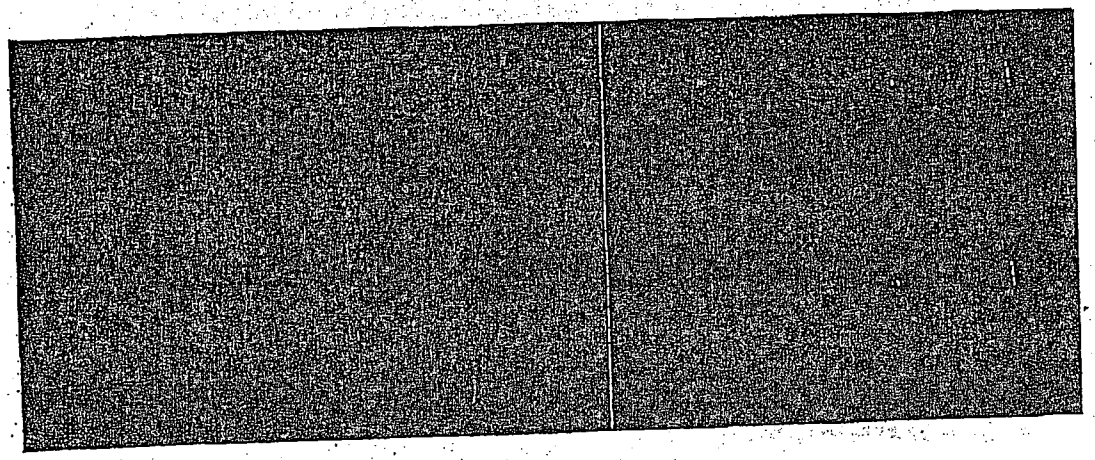
6. **WARRANTY OF TITLE.** Mortgagor covenants that Mortgagor is lawfully seized of the estate conveyed by this Mortgage and has the right to grant, bargain, convey, sell, and mortgage the Property and warrants that the Property is unencumbered, except for encumbrances of record.

7. **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 Mortgage. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the Property.

8. **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 and that may have priority over this Mortgage, 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 make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.

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 any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest to all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Mortgage is released.

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10. TRANSFER OF AN INTEREST IN THE MORTGAGOR. If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Mortgagor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership or similar entity; or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Mortgage.

11. ENTITY WARRANTIES AND REPRESENTATIONS. If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:

A. Mortgagor is an entity which is duly organized and validly existing in the Mortgagor's state of incorporation (or organization). Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.

B. The execution, delivery and performance of this Mortgage by Mortgagor and the obligation evidenced by the Evidence of Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.

C. Other than disclosed in writing Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will give Lender prompt notice of any loss or damage to the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Mortgagor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Mortgagor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Mortgage. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. AUTHORITY TO PERFORM. If Mortgagor fails to perform any of Mortgagor's duties under this Mortgage, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Mortgage, Lender may, without notice, perform the duties 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. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

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 Mortgage. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. ASSIGNMENT OF LEASES AND RENTS. Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

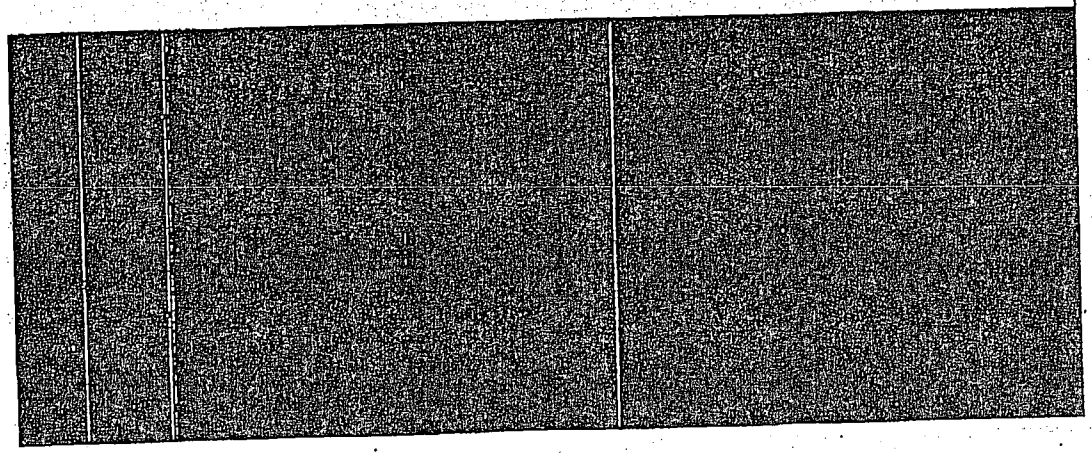
A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).

B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive

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any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

15. CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. 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.

16. DEFAULT. Mortgagor will be in default if any of the following occur:

A. Any party obligated on the Secured Debt fails to make payment when due;
B. A breach of any term or covenant in this Mortgage, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any person or entity obligated on the Secured Debt;
E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

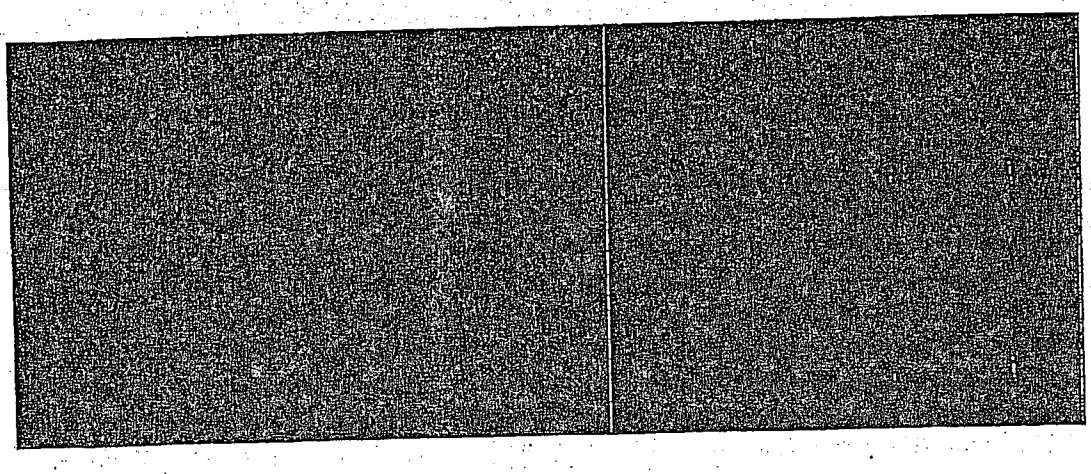
17. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, mediation notices or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Mortgage in a manner provided by law if this 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 Evidence of Debt, other evidences of debt, this Mortgage 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 expressly set forth or not. 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 full and 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.

18. 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 Mortgage. Mortgagor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Mortgagor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Mortgage, including, but not limited to, attorneys' fees, court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Mortgage and Mortgagor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.

19. 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.), 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

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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, except as previously disclosed and acknowledged in writing:

A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.

F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Mortgage and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Lender's rights under this Mortgage.

L. Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Mortgage regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

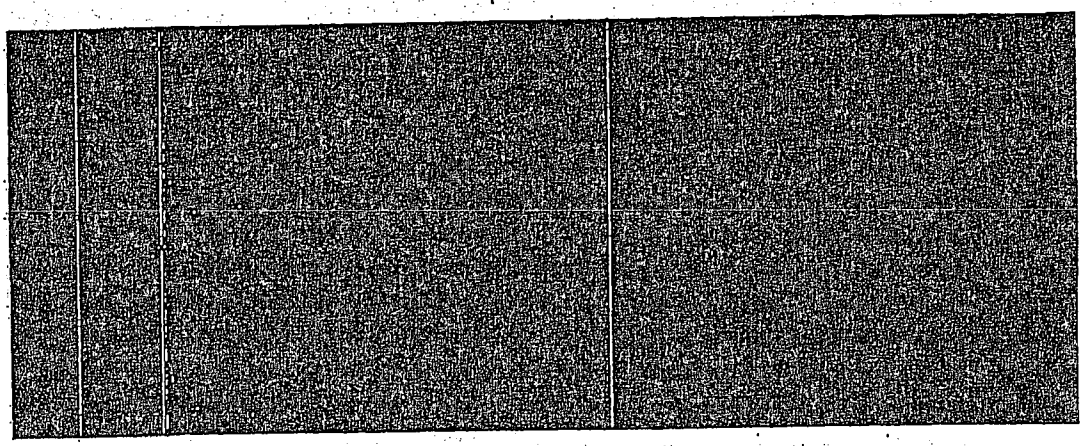
20. CONDEMNATION. Mortgagor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Mortgagor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. 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 Mortgage. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. INSURANCE. Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding three sentences can change during the term of the Secured Debt. 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 Mortgage.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender 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.

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

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. 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.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. **NO 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.

23. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Mortgagor warrants that all financial statements and information Mortgagor provides to Lender are, or will be, accurate, correct, and complete. Mortgagor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Mortgage and Lender's lien status on the Property. If Mortgagor fails to do so, Lender may sign, deliver, and file such documents or certificates in Mortgagor's name and Mortgagor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.

24. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Mortgage are joint and individual. If Mortgagor signs this Mortgage but does not sign the 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. Mortgagor agrees that Lender and any party to this Mortgage may extend, modify or make any change in the terms of this Mortgage or the Evidence of Debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Mortgage. The duties and benefits of this Mortgage shall bind and benefit the successors and assigns of Mortgagor and Lender.

If this Mortgage secures a guaranty between Lender and Mortgagor and does not directly secure the obligation which is guaranteed, 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 including, but not limited to, anti-deficiency or one-action laws.

25. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Mortgage 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 Mortgage is complete and fully integrated. This Mortgage may not be amended or modified by oral agreement. Any section or clause in this Mortgage, 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 or clause of this Mortgage cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Mortgage. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the terms of this Mortgage. Time is of the essence in this Mortgage.

26. **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 Mortgage, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

27. **WAIVER OF HOMESTEAD.** Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.

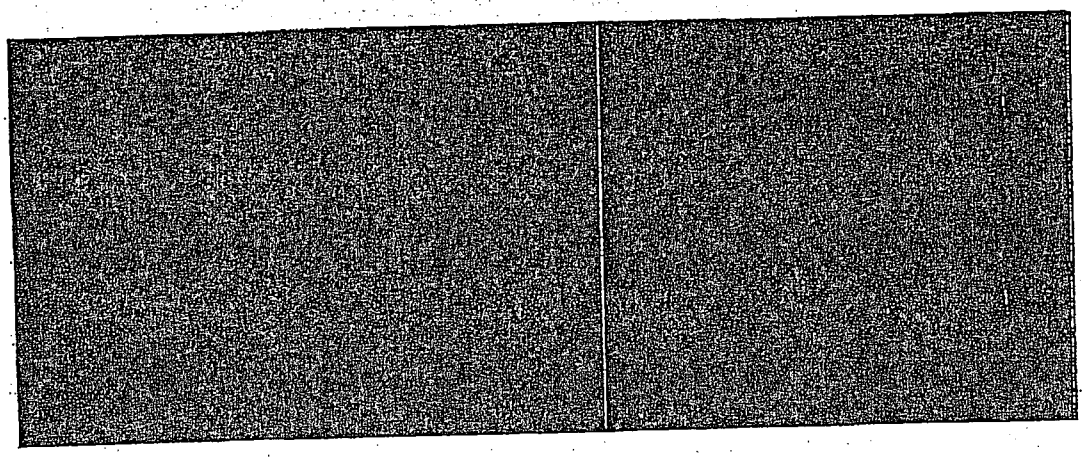
28. **U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Mortgage:

☐ **Construction Loan.** This Mortgage 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.

☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").

(page 3 of 6)



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☐ **Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

☐ **Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Mortgage also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the Uniform Commercial Code. A carbon, photographic, image or other reproduction of this Mortgage is sufficient as a financing statement.

29. OTHER TERMS. If checked, the following are applicable to this Mortgage:

☐ **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 Mortgage will remain in effect until released.

☒ **Waiver of Appraisal Rights.** The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may, within thirty days after the sale of the mortgaged property, apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.

☐ **Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

☐ **Additional Terms.**

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

☐ Actual authority was granted to the parties signing below by resolution signed and dated _____.

Entity Name: SAND DOLLAR 31, LLC

Rhonda L Meisner (Seal)
(Signature) RHONDA MEISNER, MEMBER (Date)

_____ (Seal)
(Signature) (Date)

Signed, sealed and delivered in the presence of:

_____
(Witness)

Rachel E. DeBruhl
(Witness)

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors, signatures and acknowledgments.



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PROBATE:

STATE OF SOUTH CAROLINA, COUNTY OF Richland) 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 24TH day

of JULY, 2006

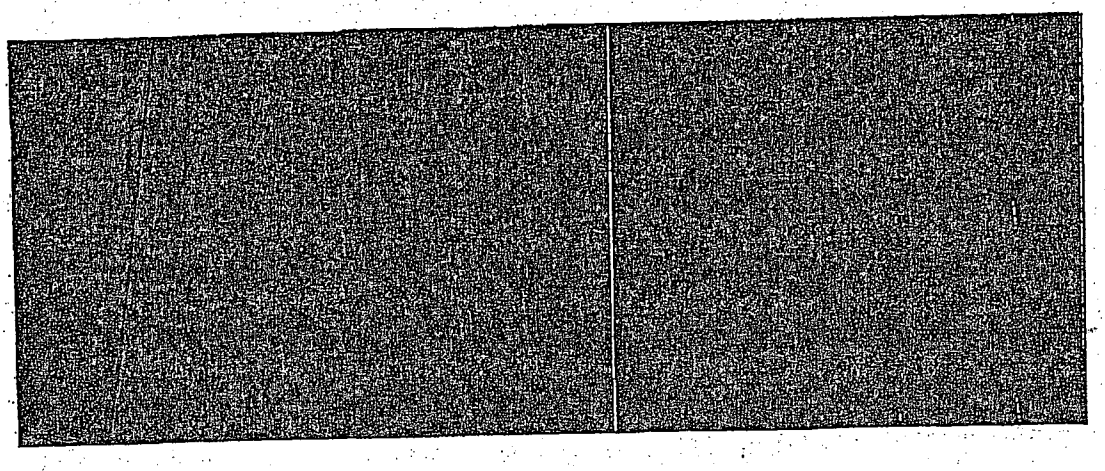
Rachel E. DeBruhl

Notary Public for South Carolina

My commission expires: 4/29/07

GEORGE E. LAFFITTE III NOTARY PUBLIC Exp. April 29, 2007 SOUTH CAROLINA

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EXHIBIT "A"
(Property Description)

All that certain piece, parcel or lot of land with improvements thereon, situate, lying and being on the eastern side of Linden Street, in or near the Town of Eau Claire in the County of Richland, State of South Carolina; said lot being composed of and embracing Lot No. 12, 13, and 14 in Block 6 upon a plat of College View Subdivision, prepared by surveyors Clodfelder and Schisler, dated August-September, 1927, and recorded in Plat Book F at page 24.

This is the property conveyed to the mortgagor by deed of Joseph M. Strickland, Master - in - Equity for Richland County dated July 2006, ~~to be recorded contemporaneously~~ Recorded Aug 7, 2006 in Deed Book 1013 page 557 herewith in the Office of Register of Deeds for Richland County.

TMS: 09313-03-21



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EXHIBIT C

GUARANTY

ORANGEBURG (City), SOUTH CAROLINA (State)

JULY 24, 2006

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce SOUTH CAROLINA BANK AND TRUST, NA (herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of SAND DOLLAR 31, LLC (herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: NOTE DATED 07-24-2006 IN THE AMOUNT OF $31,140.00 IN THE NAME OF SAND DOLLAR 31, LLC and any extensions, renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): _____.

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of $ 31,140.00 (if unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated _____;
☐ secured by _____.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

Rhonda L Meisner

RHONDA MEISNER

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

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ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

Expeerius® ©Bankers Systems, Inc., St. Cloud, MN 56301 FORM M-240 9/7/2005 (For Corporate Guarantor use M-250)

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

SCBT, N.A.,)
Plaintiff(s))
vs.)
Sand Dollar 31, LLC;)
Defendant(s))

CIVIL ACTION COVERSHEET

6318

Submitted By: Teri K. Stomski (SC Bar # 65250)
Attorney for the Plaintiff
016555-00039

Rogers Townsend & Thomas, PC
220 Executive Center Drive, Suite 109, Post Office Box 100200
Columbia, SC 29202
(803) 771-7900 (803) 343-7013 – Fax info@rtt-law.com

FILED
2011 SEP 22 AM 11:1
RICHLAND COUNTY
JEANETTE W. McBRIDE
C.C.P. & G.S.

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

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

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

NATURE OF ACTION (Check One Box Below)

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

Torts - Professional Malpractice
- ☐ Dental Malpractice (200)
- ☐ Legal Malpractice (210)
- ☐ Medical Malpractice (220)
- Previous Notice of Intent Case # 20___-CP-_____-
- ☐ Notice/File Med Mal (230)
- ☐ Other (299)

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

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

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

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

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

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

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

Submitting Party Signature: _____ **Date:**

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

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FOR MANDATED ADR COUNTIES ONLY

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

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

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

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

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

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

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

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

    b. Requests for temporary relief;

    c. Appeals;

    d. Post Conviction relief matters;

    e. Contempt of Court proceedings;

    f. Forfeiture proceedings brought by governmental entities;

    g. Mortgage foreclosures; and

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

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

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

016555-00039

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

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

v.

Sand Dollar 31, LLC;

Defendant(s).

IN THE COURT OF COMMON PLEAS

DOCKET NO.

SUMMONS AND NOTICES
(NON-JURY)
COMMERCIAL FORECLOSURE OF REAL ESTATE MORTGAGE
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2011 SEP 22 AM 11:15
JEANETTE W. McBRIDE
C.C.P. & G.S.

(016555-00039)

TO THE DEFENDANT(S) ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to appear and defend by answering the Complaint in this action, of which a copy is herewith served upon you, and to serve a copy of your Answer on the subscribers at their offices, 220 Executive Center Drive, Suite 109, Post Office Box 100200, Columbia, South Carolina 29202, within thirty (30) days after the service hereof, exclusive of the day of such service, except that the United States of America, if named, shall have sixty (60) days to answer after the service hereof, exclusive of the day of such service; and if you fail to do so, judgment by default will be rendered against you for the relief demanded in the Complaint.

YOU WILL ALSO TAKE NOTICE that Plaintiff will move for an order of reference or that the Court may issue a general order of reference of this action to a master in equity/special referee, pursuant to Rule 53, of the South Carolina Rules of Civil Procedure.

Rogers Townsend & Thomas, PC
ATTORNEY FOR PLAINTIFF
Teri K. Stomski (SC Bar # 65250)
220 Executive Center Drive
Columbia, SC 29210
Post Office Box 100200 (29202)
(803) 771-7900

Columbia, South Carolina
September 15, 2011

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STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

v.

Sand Dollar 31, LLC;

Defendant(s).

IN THE COURT OF COMMON PLEAS

DOCKET NO.

COMPLAINT

(NON-JURY)

FORECLOSURE OF COMMERCIAL REAL ESTATE MORTGAGE
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2011 SEP 22 AM 11:15
JEANETTE W. McBRIDE
CCP. & G.S.

(016555-00039)

Plaintiff alleges:

1. This is an action for the foreclosure of a commercial mortgage upon certain real estate in Richland County, South Carolina, and for entry of judgment(s) for breach of a promissory note and breach of a guaranty payment.

2. Pursuant to S.C. Code Section 33-15-101, Plaintiff is a corporation or other legal entity doing business in the State of South Carolina.

3. Plaintiff has the legal right to enforce the negotiable instrument secured by the Mortgage and is the real party in interest as defined by Rule 17(a) of the South Carolina Rules of Civil Procedure.

4. This action involves the foreclosure of a commercial loan secured by a non-owner-occupied dwelling and is not subject to the Home Affordable Modification Program ("HMP") for residential loans owned, securitized, or guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("FHLMC") or any other section if the Making Home Affordable Program.

5. Some lien on or interest in the real estate, the subject of this action, may be claimed by the Defendant(s) herein.

6. The Defendant(s) herein described as judgment creditors have by filing said judgments designated their attorney entering the judgment as their agent for service of process under the provisions of South Carolina Code Section 15-35-840.

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7. Heretofore, for value received, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain promissory note ("Original Note") in the principal sum of $36,000.00, together with interest therein from that date at the rate specified in the promissory note. The Original Note is referred to herein collectively as the "Note". A copy of the Note, including all amendments thereto, is attached hereto, incorporated by reference, and marked as **Exhibit "A".**

8. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate mortgage ("Mortgage") covering the following described property and any and all improvements to the property:

All that piece, parcel or tract of land, containing .22 acres, more or less, situate, lying and being on the Southwestern side of U.S. Highway No 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being a part of the property shown and delineated on a plat prepared for Joseph C. Byrd, Jr. and Doris V. Byrd by R.E Collingwood, Jr., dated January 1, 1964 and recorded in the office of the Register of Deeds for Richland County in Plat Book "U" at page 90 and being more fully described on a plat prepared for Charles L. Duffie by Robert E. Collingwood, Jr. dated August 15, 1968 recorded December 2, 1968 in Plat Book 34 at Page 3, Office of the Register of Deeds for Richland County and according to said latter survey of the property having the following measurements and boundaries, to wit: On the North-east by U.S. Highway 321, and fronting thereon Eighty-five (85')...feet, then at right angles turning and running in a Southernly direction for One Hundred Fifty (154') feet to U.S. Highway 321.

All that piece, parcel or lot of land, containing .051 acres, more or less, situate, lying and being on the Southwestern side of U.S. Highway No. 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being the identical property shown and delineated on a plat prepared for Charles L. Duffie by Henry 2. Duffie, Jr., Registered Land Surveyor dated the 9th day of April 1976, the said property being bounded on the Northeast by U.S Highway No. 321, and fronting thereon fifteen (15') feet; then turning at right angles and running in a southerly direction for One hundred forty-eight and five-tenths (148.5') feet; then turning at a right angels and running in an easterly direction for fifteen (15') feet; then turning and running at right angles in a northeasterly direction for a distance of one hundred fifty (150') feet to the point of commencement.

This is the property conveyed to Sand Dollar 31, LLC by deed of Charles L. Duffie dated March 1, 2006, recorded March 3, 2006 in Record Book 1157 at page 3375.

TMS: 10100-01-012

9. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023. A copy of the Mortgage is attached hereto, incorporated by reference herein and marked as **Exhibit "B".**

10. The Mortgage evidences and secures the repayment of money advanced by Plaintiff or its predecessor in interest to, or on behalf of, the mortgagor(s) and constitutes a first lien on the

mortgaged premises.

11. In order to better secure payment and performance of the said Note and Mortgage, and also as a condition of Plaintiff, or Plaintiff's predecessor in interest, agreeing to extend the loan to the Borrower, Defendant Rhonda Meisner executed and delivered a Guaranty in favor of Plaintiff, or Plaintiff's predecessor in interest, its successors and assigns, dated July 24, 2006, absolutely and unconditionally guaranteeing the payment of the entire indebtedness under the terms of the Note (the "Guaranty"). A copy of the Guaranty is attached hereto, incorporated by reference herein and marked as **Exhibit "C".**

12. The Note, Mortgage and Guaranty are collectively referred to herein as the "Loan Documents".

13. After all payments received by the Plaintiff have been credited to the subject loan, the loan is in default, and the conditions of the Loan Documents have been broken. Plaintiff elects to and does declare the entire balance of said indebtedness due and payable, and that there is due the principal sum of $32,047.04, with interest, advances, late charges, and also for the costs and disbursements of this action, including attorney's fees.

FOR A FIRST CAUSE OF ACTION
(Reformation of the Deed)

14. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

15. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC, made, executed and delivered a certain Balloon Note ("Note") in the principal sum of $36,000.00, payable in monthly installments of principal and interest.

16. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate Mortgage covering the previously described property and any and all improvements to the property.

17. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023.

18. The Borrower acquired the property securing the aforementioned mortgage by deed dated March 1, 2006 and recorded in Record Book 1157 at Page 3375, in the Office of the Register of Deeds for Richland County, South Carolina.

19. The grantee name as shown on said deed is defective.

20. Through inadvertence or mistake, a space in between "Sand" and "Dollar" in the intended grantee name of "Sand Dollar 31, LLC" was omitted from the recorded Deed. Upon review of the recorded documents related to the subject property and the records of the South Carolina Secretary of State, Plaintiff is informed and believes that the grantee name should read as follows: Sand Dollar 31, LLC.

FOR A SECOND CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Foreclosure of Mortgage and Deficiency Judgment)

21. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

22. That according to the terms and conditions of the Note, it is provided that, in the event of default in the payment of any installment when due, or in the event of default under the Mortgage, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, may be declared by the holder immediately due and payable.

23. Pursuant to the Loan Documents, the unpaid principal balance of the Note, all unpaid accrued interest and all other indebtedness or charges secured or to be secured by the Mortgage, has been declared by the Plaintiff immediately due and payable.

24. Plaintiff has made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

25. The Mortgage provides that if Plaintiff institutes any suit or action to enforce any of the terms of the Mortgage, Plaintiff shall be entitled to recover all costs and expenses incurred by Plaintiff, including but not limited to attorney's fees, court costs and other legal expenses.

26. Plaintiff has been or may be forced to pay sums for taxes and insurance and costs for securing the property, which sums, according to the terms of the Mortgage, should be added to the amount of the debt.

27. Pursuant to the terms of the Mortgage and applicable state law, Plaintiff requests the mortgage be foreclosed and that the property be sold at public auction in accordance with law, subject to any liens for taxes, special assessments of record against such property, and existing easements or restrictions of record.

28. Plaintiff has the right to seek a deficiency judgment against the Borrower, Defendant Sand Dollar 31, LLC. That in the event that the net amount realized by the Plaintiff upon the sale of the subject property is insufficient to pay in full the total indebtedness of the Plaintiff, including costs of

collection, the Plaintiff demands a personal judgment against said Defendant in the amount of such deficiency.

FOR A THIRD CAUSE OF ACTION
(Against Defendant Sand Dollar 31, LLC)
(Breach of Contract)

29. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

30. Plaintiff made demand upon Borrower for immediate payment in full of the total amount then due and owing on the Note, in response to which Borrower failed to provide payment in full.

31. It has become and is necessary for the Plaintiff to employ legal counsel to prosecute this action, and that the fee for the services of the Plaintiff's counsel should, according to the terms of the Note, be added to the amount of the debt.

32. There is currently due and owing on the Note the principal sum of $32,047.04, with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorneys' fees and court costs; and Plaintiff is entitled to judgment against Borrower in that amount.

FOR A FOURTH CAUSE OF ACTION
(Against Defendant Rhonda Meisner)
(Breach of Personal Guaranty)

33. Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

34. According to the terms of the Guaranty, Defendant **Rhonda Meisner** irrevocably, absolutely and unconditionally guaranteed to Plaintiff the full payment and prompt performance of each and every obligation of the Borrower, and agreed to pay upon demand all of the principal amount of the Note, interest thereon and all collection costs, expenses, and reasonable attorney's fees.

35. Guarantor agreed that the Guaranty would continue in full force until all indebtedness of the Borrower under the terms of the Loan Documents shall have been fully and finally paid and satisfied, and all of Guarantor's obligations under the Guaranty had been performed in full.

36. Pursuant to the terms of the Guaranty, Plaintiff is not required to resort for payment, or to proceed directly against any person or entity, including Borrower.

37. Plaintiff has made demand upon Guarantor for immediate payment in full of the total amount then due and owing on the Note, in response to which Guarantor failed to provide payment in full.

38. There is currently due and owing on the Note the principal sum of $32,047.04 with interest from and after the date of default, at the rate or rates, as provided in the Note, as well as all accrued and unpaid interest, all costs of collection, including, but not limited to, reasonable attorney's fees and court costs; and Plaintiff is entitled to judgment against Guarantor in that amount.

FOR A FIFTH CAUSE OF ACTION
(Declaratory Judgment that Mobile/Manufactured Home is Subject to the Lien of Plaintiff's Mortgage)

33. The Plaintiff hereby reiterates all of the foregoing allegations fully as if set forth verbatim, and which are incorporated herein by reference.

34. Heretofore, on or about July 24, 2006, Sand Dollar 31, LLC made, executed and delivered a certain Note ("Note") in the principal sum of $36,000.00, payable in monthly installments of principal and interest.

35. In order to secure the payment of the Note according to the terms and conditions thereof, Sand Dollar 31, LLC made, executed and delivered unto South Carolina Bank and Trust, N.A. a certain real estate mortgage ("Mortgage") covering the previously described property and any and all improvements to the property, including but not limited to a mobile/manufactured home: 2 bedroom, one bath, bricked-in 1969 Mobile Home.

39. The Mortgage was signed, witnessed and probated July 24, 2006; thereafter, the Mortgage was recorded in the Office of the RMC/ROD for Richland County on August 4, 2006, in Mortgage Book 1214 at Page 2023.

36. Upon information and belief, there sits upon the realty which is described above a mobile/manufactured home described as a 2 bedroom, one bath, bricked-in 1969 Mobile Home.

37. Upon information and belief, when Sand Dollar 31, LLC applied for a mortgage loan from Plaintiff or Plaintiff's predecessor-in-interest South Carolina Bank and Trust, N.A., Sand Dollar 31, LLC represented that (s)he /it owned or was purchasing all the property which is the subject of this litigation and that (s)he/it was willing to execute a mortgage upon the entire property, that is the realty described herein and all improvements thereon, that is the mobile/manufactured home to secure the mortgage loan.

38. In reliance upon the representations of Sand Dollar 31, LLC, the property, including the mobile/manufactured home, was appraised and, in reliance upon the appraised value of the entire property, a mortgage loan was extended to Sand Dollar 31, LLC with the intent that the loan would be secured by a mortgage loan upon the realty described herein and all improvements thereon, including the mobile/manufactured home.

39. That, to evidence the parties' intention that the loan would be secured by all of the property of Sand Dollar 31, LLC located at 8391 Winnsboro Road, Blythewood, SC 29016 including the mobile/manufactured home, on or about July 24, 2006, the Defendant Sand Dollar 31, LLC executed a mortgage, in which (s)he/it mortgaged to South Carolina Bank and Trust, N.A. the realty which is described herein, and which includes any improvements located thereon.

40. The relationship between Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., Borrower and Lender, respectively, is such that a reasonable person would expect South Carolina Bank and Trust, N.A. to require that its loan be secured by a mortgage upon all of Sand Dollar 31, LLC property, including the mobile/manufactured home, and that a reasonable person would expect Sand Dollar 31, LLC to mortgage all of the property, including the mobile/manufactured home, in exchange for receiving the mortgage loan.

41. Because Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., in furtherance of their relationship as Borrower and Lender, respectively, intended for the mobile/manufactured home to secure the mortgage loan to Sand Dollar 31, LLC, the Plaintiff is informed and believes that, pursuant to S.C. Code Ann. § 15-53-20, et seq., it is entitled to a declaratory judgment that the mobile/manufactured home is an improvement to the property which is the subject of this action and that it is subject to the lien of the Plaintiff's mortgage.

42. Because Sand Dollar 31, LLC and South Carolina Bank and Trust, N.A., in furtherance of their relationship as Borrower and Lender, respectively, intended for the mobile/manufactured home to be an improvement permanently affixed to the property which is the subject of this action and that it is subject to the lien of the Plaintiff's mortgage, the Plaintiff is informed and believes that it is entitled to an order requiring the South Carolina Department of Motor Vehicles to issue a title for said mobile/manufactured home to be retired, pursuant to S.C. Code Ann. §15-19-500, et seq.

WHEREFORE, having fully set forth its Complaint, Plaintiff prays that this Honorable Court inquire into the matters as set forth herein and:

(1) Under the direction of this Court, ascertain and determine the amount due upon the Note and Mortgage held by Plaintiff together with attorney's fees and costs of this action.

(2) Declare Plaintiff's Mortgage a first lien and render judgment of foreclosure for the amount so found to be due and owing thereon, together with any ad valorem taxes, or insurance premiums, and any other expenses which may be due and have been advanced by Plaintiff, with reasonable attorney's fees, and for the costs of this action.

(3) Order the reimbursement of all costs for inspecting and securing the

property incurred by the Plaintiff as a result of the delinquency.

(4) Appoint a Receiver to collect the rents, issues, profits or designated sums from the mortgagor(s), and/or the grantee(s) of the mortgagor(s), and/or tenant(s) occupying or exercising control over the mortgaged premises and hold the same subject to the further order of this Court.

(5) Under the direction of this Court, sell the mortgaged premises, bar any equity of redemption, and apply the proceeds of sale as follows:

First, to the costs and expenses of the within action and sale;

Second, to the payment and discharge of the amount due on Plaintiff's Note and Mortgage, together with attorney's fees as aforesaid; and

Third, to the distribution of any surplus pursuant to Rule 71, of the South Carolina Rules of Civil Procedure;

(6) Issue an order directing the Sheriff of Richland County, South Carolina, to place the successful purchaser at said foreclosure sale in possession of the property should the same become necessary;

(7) On the First Cause of Action, for an order granting Plaintiff reformation of the Deed to correct the grantee name as set forth herein; and

(8) On the Second Cause of Action, for an order granting the Plaintiff a deficiency judgment against Defendant Sand Dollar 31, LLC, in the event that the proceeds of the sale of the mortgaged property are insufficient to pay in full the indebtedness, including costs of collection;

(9) On the Third Cause of Action a judgment against Borrower in the amount set forth above;

(10) On the Fourth Cause of Action, for an order granting Plaintiff a judgment against Guarantors in the amount set forth above, less any sums which Plaintiff may recover from Borrower on the Note;

(11) On the Fifth Cause of Action for an order granting Plaintiff a declaratory judgment that Mobile/Manufactured Home is Subject to the Lien of Plaintiff's Mortgage and for an order demanding the South Carolina Department of Motor Vehicles to issue a title to said Mobile/Manufactured Home for it to be retired; and

(12) Order such other and further relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEY FOR PLAINTIFF
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220 Executive Center Drive
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(803) 771-7900

Columbia, South Carolina
September 15, 2011

EXHIBIT "A"

SAND DOLLAR 31, LLC 1 CHESTER ROAD BLYTHEWOOD, SC 29016 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, jointly and severally.	SOUTH CAROLINA BANK AND TRUST, NA 950 JOHN C CALHOUN DRIVE PO BOX 9007 ORANGEBURG, SC 29115 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	RESP CODE 526 Loan Number [redacted] Date 07-24-2006 Maturity Date 07-25-2011 Loan Amount $ 36,000.00 Renewal Of

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of THIRTY SIX THOUSAND AND NO/100 Dollars $ 36,000.00

☒ **Single Advance:** I will receive all of this principal sum on 07-24-2006. 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 07-24-2006 at the rate of 8.500% per year until 07-25-2011.

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

☐ **Index Rate:** The future rate will be _____ the following index rate: _____

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

☐ **Frequency and Timing:** The rate on this note may change as often as _____. A change in the interest rate will take effect _____.

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

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

☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

☐ _____

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

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

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

☐ at a rate equal to _____

☒ **LATE CHARGE:** If a payment is not made within 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MIN OF $25.00

☐ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:

59 MONTHLY PAYMENTS OF $315.38 BEGINNING 08-25-2006 AND 1 BALLOON PAYMENT OF $32,098.90 ON 07-25-2011.

ADDITIONAL TERMS:

SECURITY: This note is separately secured by (describe separate document by type and date): REAL ESTATE MORTGAGE DATED 07-24-2006

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

PURPOSE: The purpose of this loan is REFINANCE REAL ESTATE

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

Signature for Lender

VE WILSON, PRIVATE BANKER

SAND DOLLAR 31, LLC

RHONDA MEISNER, MEMBER

RECEIVED AUG 10 2006

DEFINITIONS: As used on page 1, "OI" means the terms that apply to this loan. "I," "me" or "my" means each Borrower who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of South Carolina will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement.

COMMISSIONS OR OTHER REMUNERATION: I understand and agree that any insurance premiums paid to insurance companies as part of this note will involve money retained by you or paid back to you as commissions or other remuneration.

In addition, I understand and agree that some other payments to third parties as part of this note may also involve money retained by you or paid back to you as commissions or other remuneration.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the date of the last scheduled payment indicated on page 1 of this note or the date you accelerate payment on the note, whichever is earlier.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;

(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and

(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

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

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season if I am a producer of crops; (11) any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).

(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "SET-OFF" paragraph herein.

(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.

(4) You may refuse to make advances to me or allow purchases on credit by me.

(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);

(2) obtain official certification of nonpayment (protest); or

(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval. You may, without notice, fail to perfect your security interest in, impair, or release any security and I will still be obligated to pay this loan.

FINANCIAL INFORMATION: I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

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

WAIVER OF HEARING PRIOR TO IMMEDIATE POSSESSION: If this loan is for a business purpose I agree to waive the right to five days' notice and a preseizure hearing prior to seizure of any personal property which may secure this loan.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
					%		
					%		
					%		
					%		
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EXHIBIT "B"

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Book 1214-2023
2006069846 08/04/2006 13:56:31:300 Mortgage
Fee:$15.00 County Tax:$0.00 State Tax:$0.00

This document was prepared by (name, address, phone):
SOUTH CAROLINA BANK AND TRUST, N.A.
950 JOHN C. CALHOUN DRIVE
ORANGEBURG, SC 29115
(803) 534-2175

2006069846 John G. Norris Richland County ROD

State of South Carolina — Space Above This Line For Recording Data

REAL ESTATE MORTGAGE
(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage is 07-24-2006 and the parties and their addresses are as follows:

MORTGAGOR: SAND DOLLAR 31, LLC
1 CHESTER ROAD
BLYTHEWOOD, SC 29016

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors.

LENDER: SOUTH CAROLINA BANK AND TRUST, NA
ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA
950 JOHN C CALHOUN DRIVE
PO BOX 9007 ORANGEBURG, SC 29115

2. **MORTGAGE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:
SEE ADDENDUM ATTACHED

The property is located in ~~SPARTANBURG~~ RICHLAND (County) at 8391 WINNSBORO HIGHWAY (Address), BLYTHEWOOD (City), South Carolina 29016 (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, 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"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Secured Debt (hereafter defined) secured by this Mortgage at any one time shall not exceed $ 72,000.00 . This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Lender's security and to perform any of the covenants contained in this Mortgage. 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. Future advances are contemplated and, along with other future obligations, are secured by this Mortgage even though all or part may not yet be advanced. Nothing in this Mortgage, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. **SECURED DEBT DEFINED.** The term "Secured Debt" includes, but is not limited to, the following:
   A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt) *(e.g., borrower's name, note amount, interest rate, maturity date)*:

      NOTE DATED 07-24-2006 IN THE AMOUNT OF $36,000.00 IN THE NAME OF SAND DOLLAR 31, LLC

   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 existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the evidence of debt.
   C. All obligations Mortgagor owes to Lender, which now exist or 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 Mortgage, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.
   E. Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Lender and any Mortgage securing, guarantying, or otherwise relating to the debt.

   If more than one person signs this Mortgage as Mortgagor, each Mortgagor agrees that this Mortgage will secure all future advances and future obligations described above that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. This Mortgage will not secure any other debt if Lender fails, with respect to such other debt, to make any required disclosure about this Mortgage or if Lender fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Mortgagor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Mortgage.

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

7. **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 Mortgage. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the Property.

8. **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 and that may have priority over this Mortgage, 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 make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Lender consents in writing.

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 any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Mortgagor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest in all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Mortgage is released.

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10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if (1) a beneficial interest in Mortgagor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership or similar entity; or (3) there is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity. However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Mortgage.

11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:
    A. Mortgagor is an entity which is duly organized and validly existing in the Mortgagor's state of incorporation (or organization). Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
    B The execution, delivery and performance of this Mortgage by Mortgagor and the obligation evidenced by the Evidence of Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
    C. Other than disclosed in writing Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

12. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will give Lender prompt notice of any loss or damage to the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Mortgagor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Mortgagor also agrees that the nature of the occupancy and use will not change without Lender's prior written consent.

    No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Mortgage. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any of Mortgagor's duties under this Mortgage, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Mortgage, Lender may, without notice, perform the duties 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. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the Property. This may include completing the construction.

    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 Mortgage. Any amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

14. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).
    A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
    B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

    In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

    Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive

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any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

15. **CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** 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.

16. **DEFAULT.** Mortgagor will be in default if any of the following occur:
    - A. Any party obligated on the Secured Debt fails to make payment when due;
    - B. A breach of any term or covenant in this Mortgage, any prior mortgage or any construction loan agreement, security agreement or any other document evidencing, guarantying, securing or otherwise relating to the Secured Debt;
    - C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
    - D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any person or entity obligated on the Secured Debt;
    - E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
    - F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
    - G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

17. **REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, mediation notices 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 Mortgage in a manner provided by law if this 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 Evidence of Debt, other evidences of debt, this Mortgage 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 expressly set forth or not. 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 full and 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.

18. **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 Mortgage. Mortgagor will also pay on demand all of Lender's expenses incurred in collecting, insuring, preserving or protecting the Property or in any inventories, audits, inspections or other examination by Lender in respect to the Property. Mortgagor agrees to pay all costs and expenses incurred by Lender in enforcing or protecting Lender's rights and remedies under this Mortgage, including, but not limited to, attorneys' fees, court costs, and other legal expenses. Once the Secured Debt is fully and finally paid, Lender agrees to release this Mortgage and Mortgagor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.

19. **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.), 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

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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, except as previously disclosed and acknowledged in writing:

A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.

F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Mortgage and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Mortgage without prejudice to any of Lender's rights under this Mortgage.

L. Notwithstanding any of the language contained in this Mortgage to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Mortgage regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. CONDEMNATION. Mortgagor will give Lender prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Mortgagor further agrees to notify Lender of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. 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 Mortgage. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. INSURANCE. Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding three sentences can change during the term of the Secured Debt. 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 Mortgage.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "lender 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.

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

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of scheduled payments or change the amount of the payments. 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.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. NO 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.

23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem necessary. Mortgagor warrants that all financial statements and information Mortgagor provides to Lender are, or will be, accurate, correct, and complete. Mortgagor agrees to sign, deliver, and file as Lender may reasonably request any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Mortgage and Lender's lien status on the Property. If Mortgagor fails to do so, Lender may sign, deliver, and file such documents or certificates in Mortgagor's name and Mortgagor hereby irrevocably appoints Lender or Lender's agent as attorney in fact to do the things necessary to comply with this section.

24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND. All duties under this Mortgage are joint and individual. If Mortgagor signs this Mortgage but does not sign the 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. Mortgagor agrees that Lender and any party to this Mortgage may extend, modify or make any change in the terms of this Mortgage or the Evidence of Debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Mortgage. The duties and benefits of this Mortgage shall bind and benefit the successors and assigns of Mortgagor and Lender.

If this Mortgage secures a guaranty between Lender and Mortgagor and does not directly secure the obligation which is guarantied, 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 including, but not limited to, anti-deficiency or one-action laws.

25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION. This Mortgage 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 Mortgage is complete and fully integrated. This Mortgage may not be amended or modified by oral agreement. Any section or clause in this Mortgage, 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 or clause of this Mortgage cannot be enforced according to its terms, that section or clause will be severed and will not affect the enforceability of the remainder of this Mortgage. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Mortgage are for convenience only and are not to be used to interpret or define the terms of this Mortgage. Time is of the essence in this Mortgage.

26. 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 Mortgage, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

27. WAIVER OF HOMESTEAD. Except to the extent prohibited by law, Mortgagor waives all homestead exemption rights relating to the Property.

28. U.C.C. PROVISIONS. If checked, the following are applicable to, but do not limit, this Mortgage:

☐ **Construction Loan.** This Mortgage 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.

☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs all of which shall also be included in the term "Property").

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Richland County Register of Deeds

Richard W. Rodden

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Instrument: 2006069846 Book/Page: R 1214 : 2030 DateTime: 08/04/2006 13:56:31:300 Document: 06

☐ **Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.

☐ **Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Mortgage also suffices as a financing statement and as such, may be filed of record as a financing statement for purposes of Article 9 of the Uniform Commercial Code. A carbon, photographic, image or other reproduction of this Mortgage is sufficient as a financing statement.

29. OTHER TERMS. If checked, the following are applicable to this Mortgage:

☐ **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 Mortgage will remain in effect until released.

☒ **Waiver of Appraisal Rights.** The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may, within thirty days after the sale of the mortgaged property, apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.

☐ **Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

☐ **Additional Terms.**

Richland County Register of Deeds

Richard W. Rodden

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

☐ Actual authority was granted to the parties signing below by resolution signed and dated _____.

Entity Name: SAND DOLLAR 31, LLC

_____ (Seal)
(Signature) RHONDA MEISNER, MEMBER (Date)

_____ (Seal)
(Signature) (Date)

Signed, Sealed and delivered in the presence of:

_____
(Witness)

_____
(Witness)

☐ Refer to the Addendum which is attached and incorporated herein for additional Mortgagors, signatures and acknowledgments.

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Instrument: 2006069846 Book/Page: R 1214 : 2029 DateTime: 08/04/2006 13:56:31:300 Document: 06

PROBATE:

STATE OF SOUTH CAROLINA, COUNTY OF RICHLAND } 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 24TH day

of JULY, 2006.

Notary Public for South Carolina

Rachel E. DeBuld

My commission expires: 4/29/07

Richland County Register of Deeds

Richard W. Rodden

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Instrument: 2006069846 Book/Page: R 1214 : 2031 DateTime: 08/04/2006 13:56:31:300 Document: 06

Richland County Register of Deeds

Richard W. Rodden

Exhibit A

All that piece, parcel or tract of land, containing .22 acres, more or less, situate, lying and being on the Southwestern side of U.S Highway No 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being a part of the property shown and delineated on a plat prepared for Joseph C. Byrd, Jr. and Doris V. Byrd by R.E Collingwood, Jr., dated January 1, 1964 and recorded in the office of the Register of Deeds for Richland County in Plat Book "U" at page 90 and being more fully described on a plat prepared for Charles L. Duffie by Robert E. Collingwood, Jr. dated August 15, 1968 recorded December 2, 1968 in plat book 34 at page 3, Office of the Register of Deeds for Richland County and according to said latter survey of the property having the following measurements and boundaries, to wit: On the North-east by U.S Highway 321, and fronting thereon Eighty-five (85')... feet, then at right angles turning and running in a Southernly direction for On Hundred Fifty (154') feet to U.S Highway 321.

All that piece, parcel or lot of land, containing .051 acres, more or less, situate, lying and being on the Southwestern side of U.S Highway No. 321, about twelve miles North of the City of Columbia, in the County of Richland, State of South Carolina, being the identical property shown and delineated on a plat prepared for Charles L. Duffie by Henry 2. Duffie, Jr., Registered Land Surveyor dated the 9th day of April 1976, the said property being bounded on the Northeast by U.S Highway No. 321 and fronting thereon fifteen (15') feet; then turning at right angles and running in a southerly direction for One hundred forty-eight and five-tenths (148.5') feet; then turning at a right angles and running in an easterly direction for fifteen (15') feet; then turning and running at right angles in a northeasterly direction for a distance of one hundred fifty (150') feet to the point of commencement.

This is the property conveyed to Sand Dollar 31, LLC by deed of Charles L. Duffie dated March 1, 2006, reocrded March 3, 2006 in Record Book 1157 at page 3375.

TMS: 10100-01-12

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EXHIBIT "C"

GUARANTY

~~ORANGEBURG~~ Cola (City), SOUTH CAROLINA (State)

JULY 24, 2006

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce SOUTH CAROLINA BANK AND TRUST, NA (herein, with its participants, successors and assigns, called "Lender"), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of SAND DOLLAR 31, LLC (herein called "Borrower") or to engage in any other transactions with Borrower, the Undersigned hereby absolutely and unconditionally guarantees to Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

A. If this ☒ is checked, the Undersigned guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: NOTE DATED 07-24-2006 IN THE AMOUNT OF $36,000.00 IN THE NAME OF SAND DOLLAR 31, LLC and any extensions, renewals or replacements thereof (hereinafter referred to as the "Indebtedness").

B. If this ☐ is checked, the Undersigned guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations being hereinafter collectively referred to as the "Indebtedness"). Without limitation, this guaranty includes the following described debt(s): _____.

The Undersigned further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Undersigned hereunder, and no act or thing, except full payment and discharge of all indebtedness, shall in any way exonerate the Undersigned or modify, reduce, limit or release the liability of the Undersigned hereunder.

2. This is an absolute, unconditional and continuing guaranty of payment of the Indebtedness and shall continue to be in force and be binding upon the Undersigned, whether or not all Indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the Lender, and such revocation shall not be effective as to Indebtedness existing or committed for at the time of actual receipt of such notice by the Lender, or as to any renewals, extensions and refinancings thereof. If there be more than one Undersigned, such revocation shall be effective only as to the one so revoking. The death or incompetence of the Undersigned shall not revoke this guaranty, except upon actual receipt of written notice thereof by Lender and then only as to the decedent or the incompetent and only prospectively, as to future transactions, as herein set forth.

3. If the Undersigned shall be dissolved, shall die, or shall be or become insolvent (however defined) or revoke this guaranty, then the Lender shall have the right to declare immediately due and payable, and the Undersigned will forthwith pay to the Lender, the full amount of all Indebtedness, whether due and payable or unmatured. If the Undersigned voluntarily commences or there is commenced involuntarily against the Undersigned a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, shall be immediately due and payable without demand or notice thereof.

4. The liability of the Undersigned hereunder shall be limited to a principal amount of $ 36,000.00 (If unlimited or if no amount is stated, the Undersigned shall be liable for all Indebtedness, without any limitation as to amount), plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Undersigned hereunder. The Lender may apply any sums received by or available to Lender on account of the Indebtedness from Borrower or any other person (except the Undersigned), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts shall not reduce, affect or impair the liability of the Undersigned hereunder. If the liability of the Undersigned is limited to a stated amount pursuant to this paragraph 4, any payment made by the Undersigned under this guaranty shall be effective to reduce or discharge such liability only if accompanied by a written transmittal document, received by the Lender, advising the Lender that such payment is made under this guaranty for such purpose.

5. The Undersigned will pay or reimburse Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the protection, defense or enforcement of this guaranty in any litigation or bankruptcy or insolvency proceedings.

This guaranty includes the additional provisions on page 2, all of which are made a part hereof.

This guaranty is ☒ unsecured; ☐ secured by a mortgage or security agreement dated _____; ☐ secured by _____.

IN WITNESS WHEREOF, this guaranty has been duly executed by the Undersigned the day and year first above written.

Rhonda L Meisner
RHONDA MEISNER

"Undersigned" shall refer to all persons who sign this guaranty, severally and jointly.

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ADDITIONAL PROVISIONS

6. Whether or not any existing relationship between the Undersigned and Borrower has been changed or ended and whether or not this guaranty has been revoked, Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Undersigned and without any notice to the Undersigned. The liability of the Undersigned shall not be affected or impaired by any of the following acts or things (which Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this guaranty, without notice to or approval by the Undersigned): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Undersigned waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Undersigned will not assert, plead or enforce against Lender any defense of waiver, release, statute of limitations, res judicata, statute of frauds, fraud, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against Lender to Borrower or any such other person, whether or not on account of a related transaction. The Undersigned expressly agrees that the Undersigned shall be and remain liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Undersigned shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though the Borrower's obligations had not been discharged.

8. The Undersigned further agrees that the Undersigned shall be and remain obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not otherwise accrue to Indebtedness due to Borrower's discharge, and the Undersigned shall remain obligated to pay such amounts as though Borrower's obligations had not been discharged.

9. If any payment applied by Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Undersigned waives any claim, remedy or other right which the Undersigned may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Undersigned's obligation under this guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration, and any right to participate in any claim or remedy the Undersigned may have against the Borrower, collateral, or other party obligated for Borrower's debts, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

11. The Undersigned waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. Lender shall not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty.

12. The liability of the Undersigned under this guaranty is in addition to and shall be cumulative with all other liabilities of the Undersigned to Lender as guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. This guaranty shall be enforceable against each person signing this guaranty, even if only one person signs and regardless of any failure of other persons to sign this guaranty. If there be more than one signer, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each of every particular and shall be fully binding upon and enforceable against either, any or all the Undersigned. This guaranty shall be effective upon delivery to Lender, without further act, condition or acceptance by Lender, shall be binding upon the Undersigned and the heirs, representatives, successors and assigns of the Undersigned and shall inure to the benefit of Lender and its participants, successors and assigns. Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and application hereof, and to this end the provisions of this guaranty are declared to be severable. Except as authorized by the terms herein, this guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Undersigned and Lender. This guaranty shall be governed by the laws of the State in which it is executed. The Undersigned waives notice of Lender's acceptance hereof.

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND SCBT, N.A., Plaintiff, v. Sand Dollar 31, LLC; Rhonda Meisner, Defendants.	IN THE COURT OF COMMON PLEAS DOCKET NO. 11-CP-40-6317 ANSWER & COUNTERCLAIM

JEANETTE W. McBRIDE
C.P. & G.S.
2012 JAN 19 PM 4:32
RICHLAND COUNTY
FILED

TO: TERI STOMSKI, ESQ. ATTORNEY FOR THE PLAINTIFF AND TO THE PLAINTIFF ABOVE NAMED

Defendants, Sand Dollar 31, LLC and Rhonda Meisner, answering the Complaint of the Plaintiff herein would respectfully show unto the Court as follows:

FIRST DEFENSE
(General Denial)

1. Each and every allegation of the Complaint not herein specifically admitted, qualified or explained is denied.

2. Upon information and belief the allegations in paragraphs 1-10, 12, 15-21, 23-26, 31, 38, 41-50 are admitted.

3. Paragraph 11 is admitted only to the extent it alleges that Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq.* The amount of any funds Defendant Meisner is obligated to pay pursuant to the guarantee, if any, is subject to reduction based on the appraised value of the subject property.

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4. Paragraph 13 is admitted only to the extent it alleges the Plaintiff has received payments from the Defendant and that the loan is in default. The Defendant is without sufficient information at this time to admit or deny the sum owing is $48,698.20 and demands strict proof thereof.

5. Paragraphs 14, 22, 30 and 34 require no response; however, to the extent a response is required the allegations inconsistent with the Defendant's previous responses are denied.

6. Paragraph 27 is denied.

7. Paragraph 28 does not require a response; however, to the extent a response is required the allegations contained in Paragraph 28 are denied.

8. Paragraph 29 is admitted only to the extent that the Plaintiff has the right to seek a deficiency judgment.

9. Paragraph 32 is denied; the Defendant attempted in good faith to work out a settlement that would avoid foreclosure.

10. Paragraph 33 is admitted only to the extent that the Defendant owes some amount to the Plaintiff; however, the Defendant is without sufficient information at this time to admit or deny the sum owing is $48,698.20 and demands strict proof thereof.

11. Paragraph 35 is admitted only to the extent it alleges that Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq*. The amount of any funds Defendant Meisner is obligated to pay pursuant to the guarantee, if any, is subject to reduction based on the appraised value of the subject property.

12. As to the allegations contained in Paragraph 36 the Defendant craves reference to the guarantee attached to the Complaint for the exact terms of the guarantee agreement.

13. As to the allegations contained in Paragraph 37 the Defendant craves reference to the guarantee attached to the Complaint for the exact terms of the guarantee agreement.

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14. Paragraph 39 is admitted only to the extent that it claims Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq.* The Defendant cannot admit the amount claimed and demands strict proof thereof.

SECOND DEFENSE
(Estoppel)

15. The Plaintiff should be estopped to foreclose. The Plaintiff induced the Defendant into entering into the loan through its "private banking" system and indicated that the Defendant would be receive special considerations that were not available to the general public who were not part of the "private banking" system. The Defendant was led to believe that the Plaintiff would work with the Defendant should any problems arise in connection with the loan. When problems did arise the Plaintiff removed the Defendant from its "private banking" system and refused to work with the Defendant to resolve the problems with the loan.

FIFTH DEFENSE
(Unclean Hands)

16. The Plaintiff's request to foreclose should be denied under the unclean hands doctrine. The Plaintiff induced the Defendant into entering into the loan through its "private banking" system and indicated that the Defendant would be receive special considerations that were not available to the general public who were not part of the "private banking" system. The Defendant was led to believe that the Plaintiff would work with the Defendant should any problems arise in connection with the loan. When problems did arise the Plaintiff removed the Defendant from its "private banking" system and refused to work with the Defendant to resolve the problems with the loan.

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COUNTERCLAIM

FIRST CAUSE OF ACTION
(Declaratory Judgment)

17. Defendant incorporates the allegations contained above as if fully set forth verbatim.

18. Upon information and belief the Defendants are entitled to a declaratory judgment pursuant to S.C.R.C.P. 57 and S.C. Code Ann. §§15-53-10 through 15-15-140 to determine a question in actual controversy between or among the parties as to their respective rights and liabilities under a Note, Mortgage and Guarantee Agreement pertaining to real property located at 8391 Winnsboro Road Blythewood, SC 29016 and more particularly described in the Plaintiff's Complaint, which is incorporated by reference and to determine the respective rights and obligations of the parties with respect to the amount of any deficiency judgment due and owing, and to determine the appraisal rights of the respective parties.

19. Defendant Sand Dollar executed a mortgage that purported to waive its rights to an appraisal pursuant to state law. SC Code § 29-3-680 provides that "a defendant against whom a personal judgment may be taken on a real estate secured transaction may waive the appraisal rights as provided by this section if the debtors, makers, borrowers and/or guarantors are notified in writing before the transaction that a waiver of appraisal rights will be required and upon signing a statement during the transaction..."

20. Defendant Sand Dollar was not notified in writing before the transaction that a waiver of appraisal rights would be required. The only written information about the waiver of appraisal rights was contained in the mortgage itself, which was not provided "before" the transaction it was provided during the transaction.

21. The guarantor, Defendant Rhonda Meisner, was likewise not notified in writing before the transaction that a waiver of appraisal rights would be required. Moreover, Defendant Rhonda Meisner did not sign a statement "during the transaction" waiving appraisal rights.

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22. Defendant Rhonda Meisner seeks a declaratory judgment that she retained her statutory appraisal rights; that the appraised value will be substituted for the high bid at the foreclosure auction if the appraised value is greater than the high bid and that the amount she would be obligated to pay, if any, pursuant to her guarantee will be reduced accordingly.

23. Defendant Sand Dollar seeks a declaratory judgment that its purported waiver of appraisal rights is not valid, as Sand Dollar was not notified in writing before the transaction that a waiver of appraisal rights would be required. Second, if the Court determines that Defendant Rhonda Meisner has the appraisal rights conferred by state law then, under the circumstances, Sand Dollar should also receive the benefit of the appraisal when determining whether Sand Dollar owes any deficiency. It would be inequitable under the circumstances to deny Sand Dollar the benefit of the appraisal.

24. The Defendants pray that the Court more fully inquire into the terms and conditions of the Note, Mortgage and Guarantee Agreement and issue its declaration as to the rights, responsibilities and obligations of the parties.

25. The Defendants reserve the right to assert any further claims or defenses that may be appear disclosed

26. **WHEREFORE**, having answered the Plaintiff's Complaint the Defendant prays the Complaint be dismissed with costs and grant the relief requested in the Defendants' Counterclaim.

Respectfully submitted:

Glenn Bowens, Esquire
P.O. Box 424
Winnsboro, S.C. 29180
(803) 714-7766
Attorney for the Defendants

January 20, 2012

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE COURT OF COMMON PLEAS
SCBT, N.A.,	DOCKET NO. 11-CP-40-6318
Plaintiff, v.	ANSWER & COUNTERCLAIM
Sand Dollar 31, LLC; Rhonda Meisner,	
Defendants.	

2012 JAN 19 PM 4:32
RICHLAND COUNTY
FILED
C.C.P. & G.S.

TO: TERI STOMSKI, ESQ. ATTORNEY FOR THE PLAINTIFF AND TO THE PLAINTIFF ABOVE NAMED

Defendants, Sand Dollar 31, LLC and Rhonda Meisner, answering the Complaint of the Plaintiff herein would respectfully show unto the Court as follows:

FIRST DEFENSE
(General Denial)

1. Each and every allegation of the Complaint not herein specifically admitted, qualified or explained is denied.

2. Upon information and belief the allegations in paragraphs 1-10, 12, 15-21, 23-26, 31, 38, 41-50 are admitted.

3. Paragraph 11 is admitted only to the extent it alleges that Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq.* The amount of any funds Defendant Meisner is obligated to pay pursuant to the guarantee, if any, is subject to reduction based on the appraised value of the subject property.

4. Paragraph 13 is admitted only to the extent it alleges the Plaintiff has received payments from the Defendant and that the loan is in default. The Defendant is without sufficient information at this time to admit or deny the sum owing is $32,047.04 and demands strict proof thereof.

5. Paragraphs 14, 22, 30, 34 and 40 require no response; however, to the extent a response is required the allegations inconsistent with the Defendant's previous responses are denied.

6. Paragraph 27 is denied.

7. Paragraph 28 does not require a response; however, to the extent a response is required the allegations contained in Paragraph 28 are denied.

8. Paragraph 29 is admitted only to the extent that the Plaintiff has the right to seek a deficiency judgment.

9. Paragraph 32 is denied; the Defendant attempted in good faith to work out a settlement that would avoid foreclosure.

10. Paragraph 33 is admitted only to the extent that the Defendant owes some amount to the Plaintiff; however, the Defendant is without sufficient information at this time to admit or deny the sum owing is $32,047.04 and demands strict proof thereof.

11. Paragraph 35 is admitted only to the extent it alleges that Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq.* The amount of any funds Defendant Meisner is obligated to pay pursuant to the guarantee, if any, is subject to reduction based on the appraised value of the subject property.

12. As to the allegations contained in Paragraph 36 the Defendant craves reference to the guarantee attached to the Complaint for the exact terms of the guarantee agreement.

13. As to the allegations contained in Paragraph 37 the Defendant craves reference to the guarantee attached to the Complaint for the exact terms of the guarantee agreement.

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14. Paragraph 39 is admitted only to the extent that it claims Defendant Rhonda Meisner executed a guarantee for the Defendant Sand Dollar. Defendant Rhonda Meisner's guarantee; however, is subject to the provisions of S.C. Code § 29-3-660 *et. seq.* The Defendant cannot admit the amount claimed and demands strict proof thereof.

SECOND DEFENSE
(Estoppel)

15. The Plaintiff should be estopped to foreclose. The Plaintiff induced the Defendant into entering into the loan through its "private banking" system and indicated that the Defendant would be receive special considerations that were not available to the general public who were not part of the "private banking" system. The Defendant was led to believe that the Plaintiff would work with the Defendant should any problems arise in connection with the loan. When problems did arise the Plaintiff removed the Defendant from its "private banking" system and refused to work with the Defendant to resolve the problems with the loan.

FIFTH DEFENSE
(Unclean Hands)

16. The Plaintiff's request to foreclose should be denied under the unclean hands doctrine. The Plaintiff induced the Defendant into entering into the loan through its "private banking" system and indicated that the Defendant would be receive special considerations that were not available to the general public who were not part of the "private banking" system. The Defendant was led to believe that the Plaintiff would work with the Defendant should any problems arise in connection with the loan. When problems did arise the Plaintiff removed the Defendant from its "private banking" system and refused to work with the Defendant to resolve the problems with the loan.

COUNTERCLAIM

FIRST CAUSE OF ACTION
(Declaratory Judgment)

17. Defendant incorporates the allegations contained above as if fully set forth verbatim.

18. Upon information and belief the Defendants are entitled to a declaratory judgment pursuant to S.C.R.C.P 57 and S.C. Code Ann. §§15-53-10 through 15-15-140 to determine a question in actual controversy between or among the parties as to their respective rights and liabilities under a Note, Mortgage and Guarantee Agreement pertaining to real property located at 8391 Winnsboro Road Blythewood, SC 29016 and more particularly described in the Plaintiff's Complaint, which is incorporated by reference and to determine the respective rights and obligations of the parties with respect to the amount of any deficiency judgment due and owing, and to determine the appraisal rights of the respective parties.

19. Defendant Sand Dollar executed a mortgage that purported to waive its rights to an appraisal pursuant to state law. SC Code § 29-3-680 provides that "a defendant against whom a personal judgment may be taken on a real estate secured transaction may waive the appraisal rights as provided by this section if the debtors, makers, borrowers and/or guarantors are notified in writing before the transaction that a waiver of appraisal rights will be required and upon signing a statement during the transaction..."

20. Defendant Sand Dollar was not notified in writing before the transaction that a waiver of appraisal rights would be required. The only written information about the waiver of appraisal rights was contained in the mortgage itself, which was not provided "before" the transaction it was provided during the transaction.

21. The guarantor, Defendant Rhonda Meisner, was likewise not notified in writing before the transaction that a waiver of appraisal rights would be required. Moreover, Defendant Rhonda Meisner did not sign a statement "during the transaction" waiving appraisal rights.

22. Defendant Rhonda Meisner seeks a declaratory judgment that she retained her statutory appraisal rights; that the appraised value will be substituted for the high bid at the foreclosure auction if the appraised value is greater than the high bid and that the amount she would be obligated to pay, if any, pursuant to her guarantee will be reduced accordingly.

23. Defendant Sand Dollar seeks a declaratory judgment that its purported waiver of appraisal rights is not valid, as Sand Dollar was not notified in writing before the transaction that a waiver of appraisal rights would be required. Second, if the Court determines that Defendant Rhonda Meisner has the appraisal rights conferred by state law then, under the circumstances, Sand Dollar should also receive the benefit of the appraisal when determining whether Sand Dollar owes any deficiency. It would be inequitable under the circumstances to deny Sand Dollar the benefit of the appraisal.

24. The Defendants pray that the Court more fully inquire into the terms and conditions of the Note, Mortgage and Guarantee Agreement and issue its declaration as to the rights, responsibilities and obligations of the parties.

25. The Defendants reserve the right to assert any further claims or defenses that may be appear disclosed

26. **WHEREFORE**, having answered the Plaintiff's Complaint the Defendant prays the Complaint be dismissed with costs and grant the relief requested in the Defendants' Counterclaim.

Respectfully submitted:

Glenn Bowens, Esquire
P.O. Box 424
Winnsboro, S.C. 29180
(803) 714-7766
Attorney for the Defendants

January 20, 2012

165/95

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00039)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6318

REPLY TO DEFENDANTS' ANSWER AND COUNTERCLAIM
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2012 FEB 21 AM 9:43
JEANNETTE W. MCBRIDE
C.C.P. & G.S.

The Plaintiff, SCBT, N.A., by and through the undersigned counsel, hereby submits this Reply to the Answer and Counterclaim of Defendants Sand Dollar 31, LLC and Rhonda Meisner:

FOR A FIRST DEFENSE

(General Denial)

1. Plaintiff generally denies all paragraphs and allegations contained in Defendant's Answer and Counterclaim unless herein specifically admitted or qualified and demands strict proof thereof.

FOR A SECOND DEFENSE

(Specific Denial)

2. Plaintiff craves reference to the loan instruments which are the subject of the Plaintiff's action and to the public records of Richland County and denies anything that is inconsistent therewith.

3. Plaintiff specifically denies any liability, breach of duty or obligation, or wrongdoing to the extent any allegation in Defendant's Counterclaim is construed as asserting same.

4. Paragraphs 1-16 of Defendant's Answer and Counterclaim do not require a responsive pleading. To the extent that such Paragraphs could be construed to require a responsive pleading, then such paragraphs are denied to the extent that such paragraphs deny and/or fail to admit the corresponding paragraphs or allegations of Plaintiff's Complaint.

5. Paragraph 17 of Defendant's Answer and Counterclaim does not require a responsive pleading. To the extent that such Paragraph could be construed to require a responsive pleading, then such paragraph is denied.

6. Paragraph 18 of Defendant's Answer and Counterclaim is a prayer for relief in which no response is necessary. To the extent that such Paragraph could be construed to require a responsive

pleading, then such paragraph is denied.

7. Plaintiff admits so much of Paragraph 19 of Defendant's Answer and Counterclaim as states that the mortgage which is the subject of this action contains a section entitled "Waiver of Appraisal Rights" on the signature page. The remainder of paragraph 19 calls for legal conclusions to which no response is necessary, but to the extent a response is deemed required, it is denied.

8. Plaintiff admits so many of the factual allegations contained in Paragraph 20 of Defendant's Answer and Counterclaim as may be found in the public records of Richland County. Plaintiff is without information as to the truth or falsity of the remainder of the paragraph, which is therefore, denied.

9. Plaintiff admits so many of the factual allegations contained in Paragraph 21 of Defendant's Answer and Counterclaim as may be found in the public records of Richland County. Plaintiff is without information as to the truth or falsity of the remainder of the paragraph, which is therefore, denied. However, Plaintiff affirmatively alleges that Defendant Rhonda Meisner's signature appears on the mortgage and that she signed an unconditional guaranty of the loan.

10. Paragraphs 22-26 of Defendant's Answer and Counterclaim do not require a responsive pleading. To the extent that such Paragraphs could be construed to require a responsive pleading, then such paragraphs are denied. However, in as much as the Paragraphs allege the Defendants seek the benefit of appraisal rights should a deficiency exist after the final sale of the subject property, Plaintiff consents to same and does not contest the Defendants' petition for appraisal rights, should Defendants so file.

WHEREFORE, having fully answered the allegations of Defendants' Answer and Counterclaim, Plaintiff demands:

1. That this Honorable Court hereby enter judgment on its behalf as demanded in Plaintiff's Complaint;
2. That Defendants counterclaims hereby be dismissed; and
3. Any and all other relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEYS FOR DEFENDANT
Teri K. Stomski (SC Bar #65250)
220 Executive Center Drive, Suite 109 Post Office Box 100200 (29202)
Columbia, SC 29210 (803) 771-7900

Columbia, South Carolina
February 15, 2012

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STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6318

CERTIFICATE OF MAILING
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2012 FEB 21 AM 9:43
JEANNETTE W. McBRIDE
C.C.P. & G.S.

I, the undersigned paralegal in the Law Offices of Rogers Townsend & Thomas, PC, Attorneys for SCBT, N.A., do hereby certify that I have mailed a copy of the herein below listed pleading to the parties shown below, postage prepaid on the 17th day of February, 2012, as follows:

PLEADING: Reply to Defendant's Answer and Counterclaim of Plaintiff SCBT, N.A.

SERVED: Glenn Bowens, Esquire
P.O. Box 424
Winnsboro, SC 29180
Attorney for Defendants Sand Dollar 31, LLC and Rhonda Meisner

BY: Kathy Clark
Kathy Clark

SWORN to before me this the
17th day of February, 2012

Notary Public for South Carolina
My Commission expires: My Commission Expires July 2, 2014

16
98

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

REPLY TO DEFENDANTS' ANSWER AND COUNTERCLAIM
Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2012 FEB 21 AM 9:52
JEANNETTE W. MCBRIDE
C.C. & G.S.

The Plaintiff, SCBT, N.A., by and through the undersigned counsel, hereby submits this Reply to the Answer and Counterclaim of Defendants Sand Dollar 31, LLC and Rhonda Meisner:

FOR A FIRST DEFENSE

(General Denial)

1. Plaintiff generally denies all paragraphs and allegations contained in Defendant's Answer and Counterclaim unless herein specifically admitted or qualified and demands strict proof thereof.

FOR A SECOND DEFENSE

(Specific Denial)

2. Plaintiff craves reference to the loan instruments which are the subject of the Plaintiff's action and to the public records of Richland County and denies anything that is inconsistent therewith.

3. Plaintiff specifically denies any liability, breach of duty or obligation, or wrongdoing to the extent any allegation in Defendant's Counterclaim is construed as asserting same.

4. Paragraphs 1-16 of Defendant's Answer and Counterclaim do not require a responsive pleading. To the extent that such Paragraphs could be construed to require a responsive pleading, then such paragraphs are denied to the extent that such paragraphs deny and/or fail to admit the corresponding paragraphs or allegations of Plaintiff's Complaint.

5. Paragraph 17 of Defendant's Answer and Counterclaim does not require a responsive pleading. To the extent that such Paragraph could be construed to require a responsive pleading, then such paragraph is denied.

6. Paragraph 18 of Defendant's Answer and Counterclaim is a prayer for relief in which no response is necessary. To the extent that such Paragraph could be construed to require a responsive

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pleading, then such paragraph is denied.

7. Plaintiff admits so much of Paragraph 19 of Defendant's Answer and Counterclaim as states that the mortgage which is the subject of this action contains a section entitled "Waiver of Appraisal Rights" on the signature page. The remainder of paragraph 19 calls for legal conclusions to which no response is necessary, but to the extent a response is deemed required, it is denied.

8. Plaintiff admits so many of the factual allegations contained in Paragraph 20 of Defendant's Answer and Counterclaim as may be found in the public records of Richland County. Plaintiff is without information as to the truth or falsity of the remainder of the paragraph, which is therefore, denied.

9. Plaintiff admits so many of the factual allegations contained in Paragraph 21 of Defendant's Answer and Counterclaim as may be found in the public records of Richland County. Plaintiff is without information as to the truth or falsity of the remainder of the paragraph, which is therefore, denied. However, Plaintiff affirmatively alleges that Defendant Rhonda Meisner's signature appears on the mortgage and that she signed an unconditional guaranty of the loan.

10. Paragraphs 22-26 of Defendant's Answer and Counterclaim do not require a responsive pleading. To the extent that such Paragraphs could be construed to require a responsive pleading, then such paragraphs are denied. However, in as much as the Paragraphs allege the Defendants seek the benefit of appraisal rights should a deficiency exist after the final sale of the subject property, Plaintiff consents to same and does not contest the Defendants' petition for appraisal rights, should Defendants so file.

WHEREFORE, having fully answered the allegations of Defendants' Answer and Counterclaim, Plaintiff demands:

1. That this Honorable Court hereby enter judgment on its behalf as demanded in Plaintiff's Complaint;
2. That Defendants counterclaims hereby be dismissed; and
3. Any and all other relief as may be just and proper.

Rogers Townsend & Thomas, PC
ATTORNEYS FOR DEFENDANT
Teri K. Stomski (SC Bar #65250)
220 Executive Center Drive, Suite 109 Post Office Box 100200 (29202)
Columbia, SC 29210 (803) 771-7900

Columbia, South Carolina
February 15, 2012

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STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

RICHLAND COUNTY
FILED
2012 FEB 21 AM 9:52
JEANNETTE W. MCBRIDE
C.C. & G.S.

CERTIFICATE OF MAILING
Deficiency Judgment Demanded

I, the undersigned paralegal in the Law Offices of Rogers Townsend & Thomas, PC, Attorneys for SCBT, N.A., do hereby certify that I have mailed a copy of the herein below listed pleadings to the parties shown below, postage prepaid on the 17th day of February, 2012, as follows:

PLEADING: Reply to Defendant's Answer and Counterclaim of Plaintiff SCBT, N.A.

SERVED: Glenn Bowens, Esquire
P.O. Box 424
Winnsboro, SC 29180
Attorney for Defendants Sand Dollar 31, LLC and Rhonda Meisner

BY: Kathy Clark
Kathy Clark

SWORN to before me this the
17th day of February, 2012

Notary Public for South Carolina
My Commission expires: My Commission Expires July 2, 2014

P71

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

SCBT, N. A.,

Plaintiff,

v.

Sand Dollar 31, LLC; Rhonda Meisner;

Defendant(s).

(016555-00040)

IN THE COURT OF COMMON PLEAS

DOCKET NO. 11-CP-40-6317

ORDER OF REFERENCE

Deficiency Judgment Demanded

RICHLAND COUNTY
FILED
2012 JAN 25 AM 8:18
JEANNE C. [illegible]
C.C.P. & G.S.

Pursuant to Rules 71 and 53(b) of the South Carolina Rules of Civil Procedure, the above-entitled case is an action for foreclosure and may be referred to a Master in Equity or Special Referee in the above-entitled county by order of a circuit court judge or the clerk of court.

IT IS HEREBY ORDERED, that this action is referred to the Honorable Joseph M. Strickland, as Master in Equity to take testimony and to direct entry of final judgment in this action under Rule 53(b), SCRCP, 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 action including issuance of a writ of assistance or issuance of any rule to show cause including but not limited to any rule to show cause why a party should not be bound by the judgment of foreclosure. 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 the South Carolina Rules of Civil Procedure including but not limited to Rule 60(b). Judicial sales will be conducted pursuant to S.C. Code Section 15-39-680 or on any other convenient sale's date as may be determined by the Master in Equity/Special Referee.

The hearing shall be held in the Office of the Honorable Joseph M. Strickland, as Master in Equity for Richland County, located at:

Richland County Judicial Center
1701 Main Street, Room 2D
Columbia, SC 29201

Circuit Court Judge for Richland County or
Clerk of Court for Richland County

Columbia, South Carolina

1-25, 2012.

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STATE OF SOUTH CAROLINA	)	**IN THE COURT OF COMMON PLEAS**
	)	**CASE NUMBER: 2011-CP-40-6317**
COUNTY OF RICHLAND	)	**JR NO:**
	)	
South Carolina B&T, NA	)	
	)	
Plaintiff(s),	)	
	)	SUMMONS AND ORDER
	)	OF
vs.	)	APPOINTMENT
	)	**Status Conference**
Sand Dollar 31, LLC	)	
	)	
Defendant(s)	)	

RICHLAND COUNTY FILED
2012 OCT 18 AM 10:38
JEANETTE W. WALKER C.C.P. & G.S.

BY VIRTUE of the Order of Reference filed in the above entitled case, **I have appointed November 6, 2012 at 4:00 o'clock pm** to Courtroom 2-D, Richland County Judicial Center, 1701 Main Street, Columbia, S.C., as the time and place for holding a hearing at which time and place all interested parties will appear. Continuance of this hearing will be granted only upon strict compliance with Rule 40(c), SCRCP.

Upon receipt of this Summons and Order, the Plaintiff(s) or moving party will notify this office immediately of any persons entitled to notice who have not been mailed a copy of this Summons and Order. All parties will please take notice of Rule 5(d), SCRCP.

If unliquidated damages are sought against a Defendant in Default, Plaintiff must give notice of time and place of this hearing pursuant to Rule 55, SCRCP. Additionally, it shall be the responsibility of the Plaintiff or moving party to comply with Rule 6, SCRCP. A copy of this notice must be filed with the Court by the date of the hearing.

AND IT IS SO ORDERED.

JOSEPH M. STRICKLAND, MASTER
IN EQUITY FOR RICHLAND COUNTY

CC: Teri Kimball-Cullen Stomski, Esq
Samuel C. Waters, Esq.
Richard R. Gleissner, Esq.
Glen Bowens, Esq.
Rhonda Meisner

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STATE OF SOUTH CAROLINA	)	**IN THE COURT OF COMMON PLEAS**
	)	**CASE NUMBER: 2011-CP-40-6318**
COUNTY OF RICHLAND	)	**JR NO:**
	)	
South Carolina B&T, NA	)	
	)	
Plaintiff(s),	)	
	)	SUMMONS AND ORDER
	)	OF
vs.	)	APPOINTMENT
	)	**Status Conference**
Sand Dollar 31, LLC	)	
	)	
Defendant(s)	)	

RICHLAND COUNTY FILED
2012 OCT 18 AM 10: 39
JEANETTE W. WALBRIDGE C.C.P. & G.S.

BY VIRTUE of the Order of Reference filed in the above entitled case, **I have appointed November 6, 2012 at 4:00 o'clock pm** to Courtroom 2-D, Richland County Judicial Center, 1701 Main Street, Columbia, S.C., as the time and place for holding a hearing at which time and place all interested parties will appear. Continuance of this hearing will be granted only upon strict compliance with Rule 40(c), SCRCP.

Upon receipt of this Summons and Order, the Plaintiff(s) or moving party will notify this office immediately of any persons entitled to notice who have not been mailed a copy of this Summons and Order. All parties will please take notice of Rule 5(d), SCRCP.

If unliquidated damages are sought against a Defendant in Default, Plaintiff must give notice of time and place of this hearing pursuant to Rule 55, SCRCP. Additionally, it shall be the responsibility of the Plaintiff or moving party to comply with Rule 6, SCRCP. A copy of this notice must be filed with the Court by the date of the hearing.

AND IT IS SO ORDERED.

JOSEPH M. STRICKLAND, MASTER
IN EQUITY FOR RICHLAND COUNTY

CC: Teri Kimball-Cullen Stomski, Esq
Samuel C. Waters, Esq.
Richard R. Gleissner, Esq.
Glen Bowens, Esq.
Rhonda Meisner

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STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

COUNTY OF RICHLAND

SCBT, N.A.,

Plaintiff,

vs.

Case Nos.: 2011-CP-40-06317
and 2011-CP-40-06318

SAND DOLLAR 31, LLC;
RHONDA MEISNER,

Defendants.

H E A R I N G

BEFORE THE HONORABLE JOSEPH M. STRICKLAND

DATE: Tuesday, May 29, 2018

TIME: 2:57 p.m.

LOCATION: Richland County Courthouse
1701 Main Street
Columbia, South Carolina

REPORTED BY: CAROLL ANNE BOUTAHAR
Certified Verbatim Reporter

- -

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APPEARANCES:

ATTORNEYS FOR THE PLAINTIFF
SCBT, N.A.:

ROGERS TOWNSEND & THOMAS, PC
BY: SEAN M. FOERSTER, ESQUIRE
1221 Main Street, 14th Floor
Columbia, South Carolina 29201
803.771.7900
sean.foerster@rtt-law.com

PRO SE DEFENDANT:

RHONDA MEISNER
PO Box 689
Blythewood, South Carolina 29016
803.206.3402
pegasus333@icloud.com

THE COURT: This is a motion in each of two cases. The first one is Civil Action Number 2011-CP-40-6317. The second is 2011-CP-40-6318. We have two motions to alter or amend judgment, both filed by Ms. Meisner.

Is that correct?

MS. MEISNER: Yes, sir. Thank you.

THE COURT: For clarity of the record, I'm going to have each party give me a brief synopsis of what this case is about and how we got to this point.

Since this is your motion, do you want to go first?

MS. MEISNER: Sure, Your Honor.

I actually have filed something with the court, basically just giving a timeline of events.

THE COURT: Okay.

MS. MEISNER: I can pass it up to you if you would like.

THE COURT: Sure. Sure. You might want to just review it, though.

MS. MEISNER: I've already given Mr. Foerster his copy.

THE COURT: Right. Right.

MS. MEISNER: And this is also a declaration under penalty of perjury and also a certificate of

service. All have been entered with the court prior to this hearing.

THE COURT: Okay.

MR. FOERSTER: And I just object to the relevancy of any of these documents, Your Honor.

THE COURT: Okay. Well, hold on one second. Let me look at them. I simply asked for a recap of where we were at at this point. Let me see. I don't understand why they wouldn't be relevant. Let me look at them first.

Okay. Ms. Meisner, tell me what the case is about and how we got to this point.

MS. MEISNER: Well, I think that the main issue is that the attorneys representing the bank, initially Ms. Stomski, created a record --

THE COURT: Let's back up even further.

MS. MEISNER: Okay.

THE COURT: Who's being sued for what?

MS. MEISNER: So, South State Bank filed for foreclosure against Sand Dollar 31.

THE COURT: Okay.

MS. MEISNER: They named me as a Defendant based on a guaranty agreement signed.

There was foreclosure hearing on April 25, 2012, and then, right after that, on May 14, they filed

a Form 4. We objected to the Form 4 because the instructions say if a Form 4 is to be filed, you shouldn't put the amounts on the form because what that does is it acts as a judgment against all of the properties owned by me, individually, or Sand Dollar. So we thought that was prejudicial. We filed a Rule 59.

At that time, Your Honor said, Doesn't it make sense to move forward with the appraisal statute?

The appraisal statute gives specific timelines of 30 days after the final hearing, which was July 5, 2012, for us to file an application for the appraisal. That's statutory, so it cannot be enlarged. And actually, the statute says, Unless there is written permission from the bank.

The bank never submitted that into court, never said, We want to extend this time.

THE COURT: Now, Rule 6, I believe, in the Rules of Civil Procedure allows the Court to give an extension on any time limit set by rule or by law.

MS. MEISNER: Your Honor, and you did that back in 2012 at the hearing on -- that's why I did this timeline of events.

THE COURT: Yes, ma'am.

MS. MEISNER: I should have brought the big one in.

So my petition was due on August 5, and they said that once the Court has ordered, they have ten days after that. They had already stipulated that they would not object to the order of appraisal.

So at the hearing on August 13, at the status conference --

THE COURT: Keep telling us what year because this has been going on --

MS. MEISNER: In 2012.

THE COURT: And this case was filed in 2011. This is May 29, 2018. So we're here after seven years of litigation. So please be careful to tell me what year you're talking about.

MS. MEISNER: Yes, sir. I apologize.

THE COURT: That's all right. That's all right. You know the case so well you --

MS. MEISNER: And that's part of the problem, the change in counselors for the bank. They don't remember that the record's already made.

THE COURT: Right.

MS. MEISNER: And that, of course, is argument that -- okay.

So, at that hearing on August 13, 2012, you asked -- The Court: Do you prefer the more formal process?

Well, I mean, without guidance -- Ms. Stomski replies, Well, I mean, without guidance, I was just going by the statute.

THE COURT: All right.

MS. MEISNER: You then said -- the Court said, Okay. That's fine. I understand. That's fine. But go ahead and get somebody to have your appraiser.

And Mr. Bowens, you can get your appraiser.

And my experience is that, most of all, in very few cases, people exercise their rights under the appraisal statute.

And so it goes on from there.

Ms. Stomski says, Yes, sir. Absolutely.

Can you all work on that? And if the appraisers don't agree, then I will get someone -- then I will appoint someone.

Who's your appraiser, Mr. Bowens?

Ms. Stomski answers. So she's already been told who the appraiser was. And she answered, Angela Buckley.

Mr. Bowens then answered, Angela Buckley.

So she goes on to say that there has to be a disinterested party.

I objected to Mr. Garvin as the penalty of perjury back in 2012 because statutorily, he was

disqualified in 2012. He's still disqualified now.

I objected to it at the last hearing we had when Your Honor said, Let the appraiser get together again and agree, because we had -- the bank had already agreed. The bank had already said it should be the mortgage value, and we agreed to that, in writing, which is what the statute requires. We put that in in court.

So, in any event --

THE COURT: Let me back up. I hope I don't give you the impression I'm cutting you off.

In other words, this lawsuit is about a -- it was a commercial foreclosure. Is that correct? It was not where you live. It's your business. Is that correct?

MS. MEISNER: It was a foreclosure against Sand Dollar 31, LLC.

THE COURT: But that's your business.

MS. MEISNER: That is my business.

THE COURT: And you signed as the guarantor, which is how you personally got involved in the case.

MS. MEISNER: Well, I signed as a guarantor. However, during the hearing, there was no evidence that I signed individually or personally. Subsequent to that -- I mean, the guaranty itself does not say the capacity by which I signed the guaranty agreement, and

there was nothing written in the contract itself that said jointly and severally.

Now, I have admitted, because that would be perjury to say that I didn't do that. However, that was after the hearing for foreclosure back in 2012. Those admissions were way after the fact.

The fact of the matter is that we're here today because --

THE COURT: Well, let me just finish what I was going to say.

MS. MEISNER: Oh. I'm sorry.

THE COURT: That's all right. That's all right.

It was a commercial foreclosure. You got involved individually because you signed as a guarantor. And the foreclosure's over, and there was a deficiency judgment entered. And you basically disagree with the amount of the deficiency judgment.

MS. MEISNER: Well, Your Honor, I don't think that there was evidence that the deficiency should be to me, personally. I mean, during the hearing, they had their witnesses here. They presented no evidence that I signed it individually. The record is complete on that matter.

But further, I did timely file for application

of the appraisal statutes. They never submitted their appraisal back in 2012.

THE COURT: Now, you got me a little -- piqued my interest. I don't know everything there is to know about guarantors and sureties and things like that, but if you didn't sign in your individual capacity, in what capacity did you sign?

MS. MEISNER: As a member of Sand Dollar, LLC.

THE COURT: So you're binding the whole LLC or just -- I don't understand.

Typically, if the bank wanted a guarantor, they wanted somebody who had the money, and I didn't realize that an entity could sign as a guarantor. And maybe I'm just wrong about that. I didn't know, for example, that an LLC could sign as a guarantor or that a corporation could sign as a guarantor, that it has to be a person who has assets, or you want to have assets.

MS. MEISNER: Well, I mean, you know, there is a difference between an authority to act on behalf of an LLC and an individual. Contracts are read by the four corners of the contract. So as the drafter of the contract, based on South Carolina law, the onus is on them to create the contract so that it is clear who is signing it. And the contact was unclear, their witness was unclear, and Ms. Stomski failed to make the

connection that I was acting in my own personal regard.

THE COURT: So you signed as a guarantor, but you didn't pledge your personal assets to guarantee the loan.

MS. MEISNER: Well, I'm not making that assertion today. What I'm saying to you is, back when they had the foreclosure, when the guaranty was before the Court and when it was -- when there was a trial, they did not prove that the guaranty was for me, personally. So it's difficult to understand how I could be personally responsible for something that they never proved.

The writing itself is unclear. It doesn't say individually and corporately or corporately and individually.

THE COURT: Just out of curiosity, in what capacity did you think you were signing? You stated you signed as a member of the LLC.

MS. MEISNER: Well, Ms. Wolfman, at the time of trial, if I remember correctly -- and I do believe I do because I've reviewed the record -- said, She signed on behalf of Sand Dollar.

THE COURT: As a guarantor?

MS. MEISNER: As a guarantor. She signed on behalf. But she didn't say, She signed on behalf of

Sand Dollar as an individual, and so forth.

Every member of a limited liability company has to have an authority to act. So I am not disputing that I signed it individually and that they asked me to sign it. What I am saying is that during the trial, they never said, You signed this as an individual, correct? And there's nothing in the document itself that says, as an individual.

THE COURT: But don't you understand that when you sign as a guarantor, you're promising to pay if the principal doesn't pay? Isn't that true? You've been in business for a while. I suspect that wasn't the only guaranty you've ever signed.

MS. MEISNER: Actually, it was probably one of the first guaranties I signed.

THE COURT: But you've signed some since then.

MS. MEISNER: Since that time, perhaps. I'm not sure.

THE COURT: But what did you think you were doing when you signed as a guarantor?

MS. MEISNER: Well, you know, I'm sure you've been in many, many closings. They hand you a stack of papers this thick, and you sign them.

But that is not the relevant point in my opinion, Your Honor, because the bank still has to prove

that I signed it in my individual capacity. They could simply write on their guaranty agreement, This is an individual guaranty on behalf of Sand Dollar 31. And they didn't do that. And there's nothing on there that says that they did that. And I'm not trying to be argumentative. I'm just stating the facts.

THE COURT: Oh. No. No. And I'm not trying to be argumentative either because what you're saying is news to me, quite frankly. I know routinely, lenders want somebody else's credit.

For example, a business can borrow money, but a business is not -- well, some people say a corporation is a person, but the truth is, they want somebody to back it up. And you said you signed as the guarantor, which means, as I understand it, that you promised to pay if the business didn't pay for the loan. And that's what happened.

But you're saying you didn't sign in your individual capacity. So you signed as a member of the LLC, you're saying, right, and that the LLC was going to pay if the borrower didn't pay. Is that it?

MS. MEISNER: Well, I'm saying that, you know, at this juncture, as you said, six years after the case, I'm not saying to you that I did not sign it as an individual.

What I'm saying is, the bank did not prove it, and the paper itself does not say. So it is -- you know, the terms of the contract are interpreted against the drafter of the contract, and if they failed to put in there, Signed in the individual capacity, corporately and individually, individually, then they should be held responsible for that.

And certainly, they should have, during the trial, said, You signed this as an individual, didn't you?

And I would have answered, Yes, I did.

THE COURT: Okay.

MS. MEISNER: But they did not.

THE COURT: Well, see, you've gone -- I am embarrassed to admit that you've gone beyond my expertise because I didn't realize you could get out of a guaranty agreement by saying you didn't sign it personally, you signed as president of a corporation. I didn't understand that in what you were saying.

Now, I don't know if you made that argument before, but you've got me scratching my head because I don't see why they would lend money to a business that you controlled, your business, and then have you sign as a guarantor with the understanding that you wouldn't be personally liable. That's what I don't understand. And

I don't know.

Do you have case law, or do you have any other -- have you done this before as a businesswoman, or do you have anything that maybe will educate -- I'm not saying you're wrong. I'm just saying that's news to me because I didn't know you could do that.

MS. MEISNER: Well, Your Honor, I mean, every contract is a contrast, I mean, as it's written. And in that particular contract, they failed to make sure that, you know -- I mean, the onus is on the bank. I mean, there's probably thousands of contracts. They may have rewritten them by now, but they're out there. And it doesn't say, as a guarantor.

There has to be some mechanism by which I'm signing for the company in any regard. For example, Walmart can't -- the building can't come and sign. Somebody has to sign. And there has to be some corporate representation of who that person that's authorized to sign is. That just was never gone over.

My point is, yes, I did bring that up after, you know -- long ago, in 2012, in one of the declarations and so forth. But, you know, that was part of the declaratory judgment action, whether it was proven that I signed as an individual or as a member of Sand Dollar 31, LLC.

THE COURT: I'm going to let Mr. Foerster argue his point at some point unless you have more to add.

MS. MEISNER: Well, I haven't gone through that. You just asked me that one question about the --

THE COURT: The reason I ask, again, I'm getting old, and I've been doing this for a while, and I always kind of shudder when I start remembering back to law school.

Doesn't the UCC make it clear -- the Uniform Commercial Code doesn't make it -- and South Carolina has adopted that. That's part of our state law. Doesn't it make it clear that if you sign as a guarantor, you're promising to pay if the principal doesn't pay?

MR. FOERSTER: Yes. Absolutely. You're right on the law, Your Honor.

And I'll just point out to the Court that the issue has been fully adjudicated and appealed, and the issue was affirmed on appeal a long, long time ago.

THE COURT: All right. But I've said there is a motion pending to alter or amend the judgment.

MR. FOERSTER: But --

THE COURT: Now, I'll let her finish, and I'll let you respond.

Go ahead, Ms. Meisner.

MS. MEISNER: Your Honor, part of the UCC also indicates that contracts are interpreted via the UCC. And the UCC is simply a standardized mechanism by which all the states can interpret contracts and so forth. If someone writes a contract that does not indicate the capacity of the signator, that is on the drafter.

And I think that's -- I don't have the case law here. I can pull up what was argued before. But that is the law in South Carolina, that an ambiguous contract is held against the person who drafted it. I didn't draft it. SCBT --

THE COURT: And you're saying it's ambiguous because it didn't say that you were signing in your personal capacity.

MS. MEISNER: I believe so. I mean --

THE COURT: What was the amount of the loan? Do you remember?

MS. MEISNER: Well, I do not remember the amount of the loan. I do remember that it was, as you intimated earlier and said, it was a commercial loan. Therefore, it's 70 percent of the value. So the value of the loan would have been 70 percent of the value at the time of inception, which means that whatever hocus pocus new appraisal was several years later, at the time

they gave the loan, they had some appraiser somewhere saying that it was 30 percent more than the loan that they gave me. And I don't know exactly what those figures were but probably --

THE COURT: Mr. Foerster, do you have any notes on the original loan?

MR. FOERSTER: I was looking for it, Your Honor. I don't have the original judgment amounts, but the judgments from 2012 would have all that information in them.

THE COURT: Okay. Okay. I'm sorry to maybe rehash something that's already been dealt with, but I want to refresh my recollection, because, again, Ms. Meisner, when you sign as a guarantor, you're promising to pay if the entity that's getting the loan doesn't pay.

MS. MEISNER: Well, Your Honor, again, I'll go back to the fact that it's their duty to say that you're individually responsible or put on there, corporately and individually. Every other contact that I've seen, actually, where an individual guarantor -- does say individually and corporately.

THE COURT: But you signed not expecting to have to pay, in other words. Is that accurate?

MS. MEISNER: I signed never expecting to

lose my job and having tenants that couldn't pay me. Unfortunately, businesses have problems financially, and I've been able to work out most of the issues that I've had.

THE COURT: I understand.

MS. MEISNER: But --

THE COURT: But you're saying now that it's against the law to make you pay because they didn't make it clear that you were signing personally.

MS. MEISNER: Well, Your Honor, I'm saying that they didn't prove their case. And I don't think that -- you have to prove, when you have multiple dependents -- defendants and dependents -- multiple defendants, you have to prove your case about each defendant. And they basically made the case against Sand Dollar 31 and did not make their case against me, personally.

So, you know, it would be different if one of the documents said, Jointly and individually, separately and corporately. But that's not the case here. And so because that's not the case -- at the time, Ms. Stomski should have been able to say, Did you sign this individually on behalf of Sand Dollar? And that did not happen.

THE COURT: Now, what's the amount of the debt

at this time, or the deficiency judgment, I guess I should say?

MS. MEISNER: Your Honor --

MR. FOERSTER: Your Honor entered orders on December 28, 2017, just this past year, setting the deficiency amounts. For Civil Action 6317 -- you know, we have 6317 and 8318, Your Honor.

THE COURT: That's true.

MR. FOERSTER: That's two foreclosures. 6317 against Ms. Meisner was $38,733.92, and 6318 against Ms. Meisner is $27,220.45. And that order is now on appeal, Your Honor.

THE COURT: Okay.

MS. MEISNER: Your Honor, I did want to bring something up.

THE COURT: Yes, ma'am.

MS. MEISNER: Getting back to this timeline, because I think that that's very important, the timeline is that on June 7, the notice that was under appeal, June 7, 2012, was the motion to alter and amend the filing of the Form 4.

That was prior to the -- actually, no. The deficiency sale had occurred two days before. However, that motion was prior to the verified petition, prior to the motion to vacate the sale, prior to them making the

claim that the value of the property is the amount of the mortgage.

So, in my opinion, the bank has argued that there is no deficiency because they argued that -- the value of the mortgage. And that makes logical sense. If it's a commercial loan, banks only give you a loan of 70 percent or 60 percent, whatever the amount is at the time, of the value of the property. So the amount of the mortgage is certainly a clear indication of the value of the property.

Now, what they did is they employed Mr. Garvin, who we objected to in 2012.

THE COURT: Right.

MS. MEISNER: And again, I put forth the thing. Mr. Garvin was a known commercial appraiser for the bank. And I do want to read the statute, Your Honor, because he statutorily was disqualified, and we made that objection. I made the objection this last year, too, when we met again and --

THE COURT: Ms. Meisner, let me ask you. You don't think you should pay anything, is what the bottom line is. Is that correct? On the deficiency judgments, you think you shouldn't pay anything because the judgments were gotten incorrectly or by mistake or not in accord with the law, I guess. Is that your point,

your bottom line?

MS. MEISNER: No, Your Honor. My bottom line is, I think that the way that they've handled this case has created so much more expense, problems. They could have worked this out. They failed to do that because of some other things.

I asked to amend the claims in this case against them for the filing of the motion to vacate, which they knew at the time was erroneous because they can buy the property back. Anybody can buy the property at the foreclosure sale.

They filed a motion to vacate. I had to hire another attorney. But in addition to that, all of this is related to personal things within the bank that never really came out during the foreclosure sale.

THE COURT: I was going to say, I mean, they, I guess, arguably, wouldn't be relevant. But you're saying that there are things that I don't know as far as people -- the way they --

MS. MEISNER: Yes, sir. There are things that -- you know, one of their employees, one of South State Bank's employees, embezzled a bunch of money, and I reported that.

THE COURT: Who did you report it to?

MS. MEISNER: To the bank.

THE COURT: Okay.

MS. MEISNER: To the bank. She was subsequently fired but --

MR. FOERSTER: Your Honor --

THE COURT: Well, what --

MR. FOERSTER: -- this is all hearsay. I have to object to all of this. I don't know if this is an evidentiary hearing, but just in case, I've got to preserve my objection. There's no affidavit. She's just talking.

THE COURT: Well, your objection is overruled.

I'm curious. My question is going to be, Ms. Meisner, how does that have anything to do with this?

MS. MEISNER: Well, because I -- this was a banker that I had followed from -- and I did go over this during the hearing in 2012. Initially, I worked with her at Bank of America. She moved to Wells Fargo. I followed her to Wells Fargo.

And our relationship, our banking relationship, was, based on my credit and my past history, if I needed a loan for something, I called on the phone. Very rarely did I go and fill out a form or anything.

However, when I lost my job, instead of trying

to work with me, which -- you know, when you have high-paying jobs like some folks do, and I would include myself, if you lose a job for about nine months, that is a significant impediment to your being able to pay for things, and you lose some assets. And I lost some assets in this. But I did not file bankruptcy. I worked my way out of this.

The situation is, they knew that she did things that were inappropriate, yet they still put the thumb down on me because she's well connected in the community.

THE COURT: I don't understand. I don't understand.

MS. MEISNER: So --

THE COURT: You're saying these foreclosures have something to do with your --

MS. MEISNER: Yes.

THE COURT: -- attorney.

MS. MEISNER: That was argued in 2012 in the hearing.

THE COURT: So you don't have to pay a deficiency judgment is what you're saying.

MS. MEISNER: No. I'm not saying that I don't have to pay a deficiency judgment, but I am saying that when the bank comes to you and says a fair value of the

properties is the amount of the mortgage that we made, then, in my opinion, based on judicial estoppel, they can't argue, Oh. No. No. Let me use a disqualified appraiser and give you a lower number.

That's just not fair. And if that is fair, then it's also fair for me to be able to modify my lawsuit, which I could do in another lawsuit because --

THE COURT: I'll tell you, there are actually some judges in this state and several masters in equity who think the deficiency judgment is unfair in a -- innately unfair. Some states don't even allow it, but South Carolina does allow it. And because of South Carolina allowing it, we have to follow the law.

But you haven't convinced me that what was going on with your friend or your former business contact over at the bank who got in trouble and you turned her in for embezzling and then you lost your job -- you didn't lose your job because of what you --

MS. MEISNER: No. Not because of what she did, no.

THE COURT: Yeah. Okay. I was going to say --

MS. MEISNER: That was an unrelated incident. But because I lost my job, I fell behind on my payments --

THE COURT: Yes, ma'am.

MS. MEISNER: -- and the bank didn't want to work with me. And they have a right to do that, but what I don't think that they have a right to do is come into a court and say to you, The value of the property is the amount of the mortgage, the amount of the loan that we made -- we didn't make a mistake when we made the loan; the property is valued at that -- and then subsequently go to the sale and bid a minimal amount based on a disqualified appraiser, Mr. Garvin, and then come back to you in a motion to vacate and say, She's getting significant...

And I do want to read Teri Stomski's comment because this -- I do feel like they're responsible for that. I mean, she --

THE COURT: Now, Ms. Stomski at the time was with Rogers Townsend & Thomas.

MS. MEISNER: The same firm as --

THE COURT: She's no longer with that firm. She's no longer there.

But I want to kind of focus on everything, but the bottom line, Ms. Meisner, is that there's a deficiency judgment against you that you think is unfair.

MS. MEISNER: I do.

THE COURT: And some judges say the whole deficiency process is unfair, but that's the law in South Carolina, and I don't see how you can get around it. You're bringing in things that I didn't know about, but I don't think they are relevant to this particular case.

You said you didn't file bankruptcy. Did you talk to somebody about that possibility?

MS. MEISNER: No, because I worked -- just continued to work out of it. There were only a few properties that I owned that were associated with that that the banks would not help me work out.

THE COURT: The reason I mentioned that, I don't know very much about bankruptcy law, but depending on the chapter you file and the attorney you have, they may be able to figure out a way to get this deficiency judgment off your back.

MS. MEISNER: Well, Your Honor, the South Carolina Legislature has already figured that out. They instituted an appraisal statute, and they gave specific guidelines for doing that.

THE COURT: Well, basically, the appraisal statute, to break it down, is that the bank or the lender has the right to demand a deficiency judgment, not a request. Even though some of them are polite

about it, the truth is, they have a right to demand it if they think the property isn't worth what's owed on it.

That's the bottom -- the media calls it being upside-down or being underwater, but that's what it is. They don't think the property is worth what's owed on it. Now, that's their right.

MS. MEISNER: But also --

THE COURT: But on the other hand, you, as the debtor, you don't have to accept their opinion of what the property is worth.

Are we all on the same page now?

MS. MEISNER: Well, and --

THE COURT: You're saying that the way they -- the Court made a mistake in the way it handled the appraisal statute, and you said you object to the appraiser or one of the appraisers because you know they work for the bank, do work for the bank a lot.

Now, when you say alter or amend, you're saying I made a mistake and that you want to change it because a mistake is somehow prejudicial to you. Does that sound fair enough, Ms. Meisner?

MS. MEISNER: No, Your Honor.

THE COURT: I'm not trying to put words in your mouth, but I think that's what you mean.

MS. MEISNER: I would qualify that as, there has been a lot of confusion in this case, because Ms. Stomski, when she represented the bank, made certain representations, one of which was, where -- this is what she said on March 13, 2012:

And so, really, we're kind of finding ourselves in an interesting position. Ms. Meisner is actually the one who bid on the property.

That was not correct, but this is what she said.

And now she's come into court and put in her petition, and it was for a figure significantly beneath its appraised value. So we find ourselves in an interesting position where the winning bidder is not the bank but Ms. Meisner. So Ms. Meisner is saying, I'm getting this property at a low price.

Now, the bank is -- ironically, the bank is the one who did the opening bid. There is no obligation to bid more than a dollar more than the last bid at a judicial sale. There's no regulation to that.

THE COURT: I had forgotten. You were the winning bidder at the judicial sale.

MS. MEISNER: Only at the -- a company that I control, South Carolina Operating Room Equipment.

THE COURT: Who bid on behalf of that company?

MS. MEISNER: Kevin Nowell.

THE COURT: Is he still employed by you?

MS. MEISNER: He was never employed by me. I was in a surgery case, in a cardiothoracic case in Florence, and I couldn't come to the case and asked him to come to the bidding. And then I, you know, after the -- I think you get until the day after -- I came and went to the bank and all of that. But he never worked for my company.

THE COURT: So who owns the property now?

MS. MEISNER: South Carolina Operating Room Equipment, LLC.

THE COURT: And who owns that company?

MS. MEISNER: I'm a single member.

THE COURT: So your company owns the property now.

MS. MEISNER: Yes.

And Ms. Stomski's argument was that the bank didn't get the property back. So her argument was that she bid $10,000, and she was angry because I -- because of the one-dollar difference in what the bank bid and what I bid.

THE COURT: Well, she had instructions, I'm sure, from her client as to what to bid, but --

MS. MEISNER: But she argues to you, in front

of you, Your Honor, that, On the other hand, I'm saying that the figure's significantly beneath its appraised value. So I'm getting the property with great equity on one hand -- this is Ms. Stomski; this is not me talking -- great equity on one hand and then looking to the Court to diminish the deficiency judgment.

She basically told the Court about her inside knowledge on the appraisal, on the values of the property. Mr. Garvin's not to go into the actual appraisals of the property, but he used foreclosed properties, which is a violation of USPAP standards.

And I didn't even know that they were submitting this on behalf of USPAP standards until Mr. Foerster said that last year, that he did the appraisal on USPAP standards. Well, USPAP standards, the standard is, when you make an appraisal, it's only good for six months.

So there's so much of this that happened outside of the court. They never brought their appraiser in to be questioned about this or said that someone could say -- and they never entered the appraisal into evidence, which is the big issue in why we're here.

There's no evidence before the Court of the value except for their argument that it should be the

mortgage amount and our acceptance that that's the mortgage amount. They basically have defeated their own deficiency. That is my argument based on the appraisal statutes because the statutes say they make an opinion as to value, which Ms. Stomski did --

THE COURT: Right.

MS. MEISNER: -- in her motion to vacate. We accepted that in subsequent filings with the court. So there was no argument about that. We simply needed that applied because it had not been applied yet.

THE COURT: All right.

Mr. Foerster, you've been waiting patiently.

MR. FOERSTER: Thank you, Your Honor.

THE COURT: I'll give you a chance, Ms. Meisner, to respond to what he says as well.

MR. FOERSTER: Except for the issue about the filing of the return of the appraisers into the record in this case, everything she just talked about has already been decided by this Court in written orders.

THE COURT: Okay.

MR. FOERSTER: And she filed 59(e) motions, and those 59(e) motions were denied. That's all been decided for months now, and she has appealed to the court of appeals. So she can argue those same issues to the court of appeals.

What we're here on today, Your Honor, is the Court entered an order lifting the automatic stay of the appellate court on April 30, pursuant to my motion to lift the stay just for the sole purpose of filing the return on appraisers with the clerk of court.

So, if Your Honor recalls, what happened in this case, we went through the appraisal process. There was a hearing on her petition for her appraisal rights in July on -- I'm sorry -- on February 1, 2017.

Your Honor entered an order on July 27, 2017, ordering the appraisal process to begin and giving the designated appraisers 30 days to come back with their return, their opinion as to what the value of the property would be.

I believe I emailed the Court around August 25 to let the Court know that --

THE COURT: Of what year?

MR. FOERSTER: I'm sorry. August 25, 2017, just letting you know that our 30-deadline was coming up. But my appraiser had called me and said he was having a difficult time getting in touch with her appraiser, and we needed a few more days.

But he got a letter and -- he basically gave me a letter that updated his prior 2012 appraisals and said, My opinion from these 2012 appraisals is still

valid, and I hereby reaffirm those.

That's what it was. I submitted that to the Court via a letter dated September 1, 2017, so we complied with that order for appraisers. We came --

MS. MEISNER: Your Honor, I'm going to make an objection to that.

MR. FOERSTER: We came -- I'd ask to be allowed to finish.

THE COURT: I'm sorry. Hold on a second.

Your objection is based on what?

MS. MEISNER: He did not submit that to the Court. He never marked it as an exhibit. It was never entered into evidence. If he sent it to you, he sent it --

MR. FOERSTER: May I approach the Court?

I have the letter right here with exactly what I mailed to the judge pursuant to the order.

THE COURT: Have you seen that, Ms. Meisner?

MR. FOERSTER: She was copied on it.

(Tendering document.)

MS. MEISNER: Yes, I've seen that. He's just never entered it into evidence.

MR. FOERSTER: She's not arguing she didn't get it and that I didn't submit it. She's arguing that it was never clocked into the record.

THE COURT: Okay.

MR. FOERSTER: Well, she's not arguing -- may I approach, Your Honor --

THE COURT: Yes, sir.

MR. FOERSTER: -- just to show you the letter?

This was our compliance with the order for appraisal. And enclosed with that, my cover letter basically explained the findings of the appraisers. And behind it, I attached the actual -- what I'm calling the return of the appraisers, which is the letter from Eugene Garvin and his copies of the appraisals for both properties.

THE COURT: Okay. I'm putting it back because there's now E-Filing. If the clerk's office --

MR. FOERSTER: Sure.

THE COURT: sees anything that's on paper, they'll scan it and send it back.

MR. FOERSTER: So we submitted that, and then we came back before the Court at a hearing on October -- let's see -- October 5, 2017, to discuss this return of appraisers. Now, at that point, she could argue about the appraisals themselves and do whatever she wanted to do.

The Court heard the parties, and then the Court entered an order on December 28, 2017, entitled

Order Denying Motion to Alter or Amend and Entering Deficiency Judgments. And in it, the Court analyzes the appraisals, adopts the appraisals.

And in Paragraph 5 of the Order section, what the Court stated was, The opinion letter from Eugene Garvin dated August 30, 2017, shall be filed and treated as the return of appraisers.

So the Court orders that to happen on December 28, 2017. This is the same document that was mailed to the Court on September 1, 2017. Ms. Meisner appeals by notice of appeal dated February 19, 2018.

At that point, I noticed that the return of appraisers had never actually been clocked in. So at that point, I believe it's just simply a ministerial act. The Court had already ordered that document to be clocked into the clerk's file. I had offered it to the Court on September 1, 2017.

And not only that, but there's a statute right on point, Â§ 29â€"3â€"740, which says, The return of the appraisers shall be filed and recorded by the clerk as a judgment of the Court. So it's not a discretionary thing. It's a ministerial act that has to happen.

And so, basically, that was the basis for my motion to lift the automatic stay. I'm not sure the automatic stay applies to ministerial, clerical tasks,

but to the extent -- I felt it would be appropriate for me to file that motion, and I did, and Your Honor granted it.

And all we're here today to decide is the issue of whether Your Honor's order lifting the stay to allow that document to be filed was appropriate or not. That's it. That's all we're here on today. Everything else, all these other issues she's argued about, are for the court of appeals now, at this point, I believe.

THE COURT: Okay.

Now, Ms. Meisner, you think I made a mistake.

MS. MEISNER: Well, Your Honor, what I think is that Mr. Foerster, just like the affidavit of attorneys' fees, never filed things with the court and failed to file these documents.

But we already accepted the agreement on the properties back in 2012. When Teri Stomski said the value of the property should be gauged as the mortgage, we said yes, and we signed and filed that. They're stamped. They're in. They were done in 2012. We were in agreement.

THE COURT: You're saying when the loan was made, the lender was stuck with their appraisal at the time. Obviously, they didn't make a loan against property if they didn't know what it was worth. And if

they were able to make a loan in the amount they did, you're saying that they're stuck with their opinion of what the property was worth at the time they made the loan. Is that your position?

MS. MEISNER: Well, they made that opinion on two occasions before your court, Your Honor. When they filed the foreclosure, they filed the amount of the mortgage -- was the value of the foreclosure proceeding.

And then, nine months later, Ms. Stomski came in and said exactly that. She said in her motion to vacate that a fair gauge, based on a South Carolina Supreme Court case that she referenced, is that the value of the property should be gauged at the value of the mortgage.

We accepted that, and we wrote back to the Court, and we filed it and stamped it with the court.

THE COURT: You're saying that the other side admitted that you were right.

MS. MEISNER: That's what they admitted. Yes, sir. And we accepted their admission.

THE COURT: Okay.

Now, please indulge me. I can't recall a case where the winning bidder was the debtor and then fought on for years and years and years. Are you familiar with a situation where -- I would think you'd be happy if you

were able -- you paid the amount you bid, didn't you? You paid that, right?

MS. MEISNER: Well, yes, Your Honor, but that was money that I had already paid to the bank anyway, based on -- I mean, these loans were five years in. I had already paid that money to the bank. I was going to lose not only that money. And I say I. I was not the winning bidder. South Carolina Operating Room Equipment was the winning bidder.

THE COURT: That was --

MS. MEISNER: And had the bank not forced me into these exorbitant legal fees and other things and tried to work something out with me, we would be in a very different place from me continuing to fight.

THE COURT: So you're not the bearer because you're just a member of the LLC. You said you're the sole member of the LLC.

MS. MEISNER: Well, I'm just making the distinction between the legal parties, Your Honor. And it's ironically --

THE COURT: Well, there's a clichÃ©, almost, in the legal profession. Sometimes you have a distinction without a difference. You're the guarantor. You control the company that was the winning bidder. And the judgment, if it comes out of somebody's pocket, is

going to come out of your pocket. Is that accurate? If, in fact, you lose the case at the appellate level, you'll be the one paying, right?

MS. MEISNER: Well, it depends. I mean, they could seize assets of South Carolina -- I mean, of Sand Dollar. So they could seize assets. I, frankly, find that the filing of the Form 4 should make them say that it's either Sand Dollar or Rhonda Meisner, because right now, they have basically double-dipped because they have liens against both. So, I mean, you know --

THE COURT: But I thought I heard you argue today that -- that sounds like I would do if we have a debtor who's saying, I signed as a guarantor, but it's wasn't me. It was in a different capacity other than me, individually.

MS. MEISNER: Well, I'm not being dishonest with my representations, if that's the intimation. The fact of the matter is, the bank is being dishonest. But they came before your court and they told you what they really thought the value of the property was, and then they hired -- I mean, on two occasions, when they filed the foreclosure and then when Ms. Stomski wrote the rule to vacate saying that a fair gauge of the value of the property is the property itself, then they hired an appraiser that was statutorily disqualified to give an

opinion.

THE COURT: What about --

MS. MEISNER: So, I mean, I don't think I'm the bad guy here, Your Honor.

THE COURT: Oh. No. I didn't say you were.

MS. MEISNER: I really don't.

THE COURT: Who were the appraisers again?

MS. MEISNER: Angela Buckley. And Mr. Garvin called Angela Buckley and collaborated with her and told how he --

THE COURT: I thought they were supposed to get together on what --

MS. MEISNER: No. They're supposed to issue their appraisal and then look at what they did. But they both used mobile homes when this is a manufactured home that's been bricked in.

They used -- if you look at the appraisals -- I'm a broker-in-charge, so when I looked at the appraisals and saw that they were supposedly doing this under USPAP guidelines and they referenced other foreclosures, that's absolutely not allowed.

THE COURT: Well --

MS. MEISNER: And had they submitted that in 2012, we could have had that argument back there, but they didn't.

THE COURT: Okay.

MS. MEISNER: And he still has not submitted it into evidence.

THE COURT: I thought the appraisers were supposed to get together and reach a conclusion, and if they couldn't, then the Court would appoint an appraiser.

MS. MEISNER: Well, Your Honor, the appraisers did get together and reach a conclusion.

THE COURT: But you're complaining about that. You're saying that was wrong.

MS. MEISNER: No. When Ms. Stomski called you or wrote in her motion to vacate that a fair gauge of the value was the amount of the mortgage, and we followed that back up with an acceptance of that valuation, then, in our opinion, they agreed with us and we agreed with them.

THE COURT: So you're saying now you didn't appraiser, is what you're saying, because Ms. Stomski sent a letter.

MS. MEISNER: Yeah. Well, we had already done the appraisals by that time. The appraisal by Mr. Garvin, the original one, was in 2012, which is when you gave the order originally.

Now, Mr. Foerster says, Oh. You just ordered

the appraisal now.

That's totally outside the statutory guidelines because it gives 30 days for me after the sale to apply for the petition. Ms. Stomski, in this hearing, acknowledged that I applied for the appraisal process. She acknowledged that all of that was true. And then she, you know, said the value was the amount of the mortgage. And we agreed with her.

THE COURT: So you think you don't owe anything. Is that correct?

MS. MEISNER: I think that it is prejudicial to allow -- in my opinion, it's prejudicial to allow someone who is disqualified statutorily to submit a valuation when both of the appraisers were supposed to agree. And Ms. Buckley did not agree because she couldn't agree on a five-year-old appraisal under the guidelines.

THE COURT: Let me ask my question another way.

How much do you think you owe on the deficiency judgments?

MS. MEISNER: Really and truly, with the amount of grief that they've put me through, I think they should pay me about $100,000, but that's never going to happen.

THE COURT: They should pay you?

MS. MEISNER: Yes, based on the grief that they've put me through and the amount of time and effort and sadness and everything else. Yes. That's what I think. I think that's what should happen. And their heavy-handed actions should somehow, in a court of equity, be recognized.

I mean, you can't walk in and say the value is the amount of the mortgage and then say, Oh. We changed our mind on that. We're going to say it's this, and we've hired an appraiser who works for the bank.

I mean, that's just not right, Your Honor. They have not been fair or equitable in any of this at all. And had they worked with me a long time ago, we would have worked it out, and they would have been paid exactly what they were paid. So here's where we are.

But all that said, they have not admitted into evidence any valuation of the properties with the exception of back in 2012, because I only have 30 days after the final sale, and they acknowledged that they were getting an appraisal one week -- Ms. Stomski acknowledged that. They got the appraisal because the date of the original appraisal was 2012.

They did not enter it into evidence, opting instead to say, No; we're going to vacate the sales and

we're going to start all this all over, until -- whoops -- they recognized that not only could they buy the house back but anyone else could buy the house, and there's no prohibition against anyone buying the house.

THE COURT: Well, I'm thinking. So your company owns the property, right, that was the subject of the foreclosure?

MS. MEISNER: No.

THE COURT: Your company doesn't -- you're not -- it's not --

MS. MEISNER: That was the subject of the foreclosure, the company does not own the property.

THE COURT: Who owns it?

MS. MEISNER: South Carolina Operating Room Equipment, LLC.

THE COURT: Which is another company that you control.

MS. MEISNER: That is correct.

THE COURT: Okay.

MS. MEISNER: That is correct.

THE COURT: All right.

Anything further, Mr. Foerster?

MR. FOERSTER: Yes. Again, just for the record, I'll reiterate my argument that almost everything she argued about today she's barred by

collateral estoppel from arguing. Your Honor has already ruled on it. We have written orders ruling on each and every one of these issues with the exception of the issue in the motion before the Court today, which the appropriateness of filing the return of the appraisers.

And another argument I had with respect to that is that I don't think it's an evidentiary issue. I think the appraisers were ordered by the Court for the Court's purposes. And the statute simply requires them to be filed once those opinions come into the court, which is the only thing -- that just didn't happen in this case.

So I don't think it's an issue of Plaintiff trying to sneak evidence into the record. These are the appraisals that she petitioned to have done. And it was her appraiser who was one of the appraisers. So it's not an evidentiary issue. It's an issue of completing a ministerial act.

Your Honor incorporated those appraisals into his order on December 28, 2017. You adopted those. And this was simply the act of putting those same -- the return of appraisers into the record as required by the statute.

THE COURT: Okay.

Ms. Meisner?

MS. MEISNER: Your Honor, back in 2012, both appraisals were completed. Neither party submitted the appraisals because they agreed the mortgage value of the property was the correct valuation for the property. And that was submitted by the bank. We accepted that. So the application in 2017 was for that.

With regard to Mr. Foerster's comments about collateral estoppel and so forth, as I mentioned earlier, the motion to alter and amend was June 7, 2012, which was ruled on way after. However, that motion to alter and amend only contains the information in that motion. That was signed in December 2012.

However, all of those other rulings have not been ruled on by the court of appeals because they've just been ruled on in your recent -- in 2017. So Mr. Foerster is incorrect in saying that that was -- based on the timeline, all of those issues were not ruled on yet. So, therefore, they were not ripe for appellate review.

THE COURT: All right.

Ms. Meisner, you were serious when you said that -- when I asked you how much you think you owe, you didn't say nothing. You said not only do you not owe anything, but they owe you, as far as you're concerned.

MS. MEISNER: Well, Your Honor --

THE COURT: Are you serious? I mean, you're serious. That's your math. You're serious.

MS. MEISNER: If you look at the amount of time that I've spent with this, based on their heavy-handed approach, I think that it is highly unfair the way that they have handled this. I mean, this has been going on forever.

But the very first thing that happened, right after the hearing, they filed -- which is contrary to what the Form 4 rules said -- they filed judgments against me, personally, and against Sand Dollar before the deficiency was ever even determined of amounts in excess of that. So they should be held accountable for filing judgments that have not been determined yet.

THE COURT: You had an attorney at first when you started, didn't you?

MS. MEISNER: And that was part of my problem, Your Honor, frankly.

THE COURT: Who was your attorney at the time?

MS. MEISNER: Mr. Bowens.

THE COURT: And you were not satisfied with his services.

MS. MEISNER: Well, Your Honor, he -- I'm not going to make any comments about Mr. Bowens.

THE COURT: Okay.

MS. MEISNER: Mr. Bowens is a good man.

But I think in any case, you do ask for discovery and you do -- that's an important thing.

THE COURT: All right.

MS. MEISNER: In any event, I do believe that it's an evidentiary thing. The appraisal was done in 2012. The Plaintiff bank made the decision not to enter the appraisals into evidence.

We did not enter our appraisal into evidence because we agreed with their recommendation that it was worth -- that it was the value of the thing -- the value of the mortgage amount of the property.

And for them to come, having not entered the evidence, five years later and try to enter both a letter and an appraisal dating back five years I think is highly prejudicial, particularly when the same order denied me the right to defend their actions with the motion to vacate, and I had to pay Mr. what's-his-name 3 or $5,000 -- I don't remember what it was -- to defend the motion to vacate against South Carolina Operating Room Equipment. Mr. Gleissner.

So, you know, I mean, I understand life's not fair, but they have been very heavy-handed in this, and they also --

THE COURT: When you say heavy-handed, what do you mean?

MS. MEISNER: Well, I mean, most banks will want to work with you when you have a hard time or something happens, but they didn't want to work with me. They wanted to simply go through the foreclosure. And, I mean, you can look at all of the things and what they did.

Hiring an appraiser that was statutorily prohibited -- because we had that discussion before, that they can't be related. That's not what the statute says. It says it can't be related to the sixth degree in business or in blood. That's what the statute says.

So they hired Mr. Garvin. They filed these liens against me that were in excess of the amount that had been determined because the appraisal had not occurred. The deficiency sale had not occurred. All those things had not happened. And they did it just to harass me.

And so, you know, yeah. I feel a little frustrated with their approach. And, you know, maybe someday, somebody will agree with me. I don't think that you can come into a court of law and say, The property is worth the mortgage amount. Oh. Oh. Never mind. Let's give it another value.

I just don't think that's -- I don't think that's right

THE COURT: Anything else, Mr. Foerster?

MR. FOERSTER: Nothing further other than, again, with respect to the argument she just made, I believe she's barred by collateral estoppel from relitigating issues that have already been finally adjudicated in this case, Your Honor.

THE COURT: Okay.

MS. MEISNER: And, Your Honor, again, I'm just making -- maintaining the objection that the motion to alter and amend that was ruled on after those events happened only included what was in that motion to alter and amend. And those rulings have not been adjudicated or -- I mean, they haven't been ruled on, in my opinion, procedurally, anyway.

And I think it's procedurally improper for Mr. Foerster to try to put in a 2012 appraisal when he didn't do it in 2012 and then put in a letter referencing the appraisal, because he never even brought up the appraisal. He only brought up the letter in our last hearing.

MR. FOERSTER: That's not true, Your Honor.

THE COURT: All right.

Based on what's been presented here today, the

motion to alter and amend the judgment in both cases is denied.

Mr. Foerster, if you will submit a brief, non-argumentative order to that effect and E-File it. And I guess you can get it to me within a day or two, and we'll go ahead.

Thank you all so much.

MR. FOERSTER: May I just address a procedural matter with the Court?

THE COURT: Yes, sir.

MR. FOERSTER: E-Filing, we had an issue. And I don't fault Ms. Meisner. What happened, she went and manually filed this motion that we were here on today I believe around the 14th of May and assumed that I would get an E-Filed copy.

Well, I checked last Thursday, and the clerk still hadn't uploaded it, and I didn't get a notification. I checked today, and it was finally uploaded in 6317, not 6318. I still haven't gotten my email notice yet. So I didn't get noticed about this motion until last Thursday. So I still need mailing.

THE COURT: Well, just go tell the clerk's office, because under the new E-Filing requirements, Ms. Meisner's a pro se, and she's not covered by the E-Filing rules because of pro se litigants. And that

was the decision made. So it's not her fault. And the clerk's office can work with me on that. Just let them know that you're the attorney, but the Defendant does not have an attorney, and they're pro se.

All right. Thank you all.

MR. FOERSTER: I just have one more final administrative matter with the issue of the court reporter.

She emailed me over the weekend and said she was not going to get a court reporter. She just didn't want to incur the cost. But I explained to her that custom dictates that typically, the motioning party pays for the court reporter, so if she files 15 motions, my client shouldn't have to pay for that.

I was wondering, is my understanding wrong, Your Honor, that my client shouldn't have to pay for the court reporter for motions that are not ours?

THE COURT: Well, I don't know about that, but both of you might want to order a transcript if there's going to be more appeals. And as far as an appearance fee, I've never gotten into that. We used to have a court reporter on staff, and it wasn't an issue. Now we don't, and we ask the parties to take care of that.

So I'll let you all take care of that, and if there's a dispute that I have to get involved in, so be

it. But right now, you all -- I don't know if you're going to order a transcript or not. And the appearance fee, you all should probably share that cost as well.

MS. MEISNER: Well, Your Honor, I would bring this up. I just paid about $1500 in transcripts and court reporting for things in the past, and the recommendation was, if anyone wanted a court reporter, they should do it.

Whenever I talked with CompuScripts, they wanted me to go by there to pay in advance. And that was the issue, that I told Mr. Foerster that he should arrange that.

But I think that that's a constitutional issue, frankly, because this court is a court of record, and the circuit court is a court of record, and this is taking real property or involving real property. So I think that that probably needs to be something addressed by the supreme court because I don't think that it's right to have a referral to a court that doesn't have a court reporter when there is real property.

THE COURT: What part of the constitution do you think is at issue?

MS. MEISNER: Well, I mean, constitutionally, the taking of real property. You have to have due process. And due process cannot be effectuated if you

don't have a complete record. And so to not have a court reporter available, it basically diminishes the master in equity beneath the circuit court, which is not the intent of the legislature. That's a lateral court for administration of foreclosures and other things.

So in my opinion, a court reporter should be provided by this court, by the -- whoever provides that, they should provide that to you.

THE COURT: Court administration should give us a court reporter? I know when I sit as a special circuit court judge, I do get a court reporter assigned to me by court administration. You're saying they should assign one to all masters in equity.

MS. MEISNER: Well, Your Honor, you're having hearings taking real property.

One of the issues, unfortunately, in this situation was when the court reporter was on vacation and we had the hearing on November 6, 2012. There was no court reporter to go over that when all of the issues were brought up before Your Honor about their arguments and the motion to vacate.

And Mr. Gleissner asked for sanctions against the attorneys at that time because they were basically trying to vacate a sale that South Carolina law and the constitution absolutely allow. The bank can buy the

property and any other party.

So it's not an unreasonable idea that court administration should, in all foreclosures or in cases that involve the transfer of real property, provide a --

THE COURT: Rule 71 says there should be a record of the hearing of all foreclosure actions, and that's been covered in the rule. But what constitutes a record, I guess, is an issue that they probably need to deal with because right now, court administration is short of court reporters.

MS. MEISNER: Well, two showed up today.

THE COURT: Oh. Okay. But they weren't assigned by court administration. There are private contracts involved. Because, again, I don't have a court reporter on staff anymore, and I asked the parties, if they want a record, they need to bring somebody with them.

But that's a good point. You should, maybe, pursue it. I'll mention it to court administration next time I talk to their director.

MS. MEISNER: Well, I think it's a declaratory action for the supreme court because that's something that -- you know, Mr. Foerster and I were in a situation where we have two court reporters showing up. It certainly isn't fair to them.

It's not fair to me if -- this hearing was noticed last Thursday, so in all of my business, trying to arrange something, I didn't have time to go down there and pay $500, not knowing whether we were going to have -- whether I was going to need to do this or not, whether I was going to need a copy of the hearing or not. And so it's an additional cost. And, for pro se defendants, it can be, you know, an issue.

So I think it is something that they should, you know, qualify or interpret Rule 71 because it's not possible. And you know, Your Honor, with your experience, that there's a lot of pro se defendants for foreclosure actions.

THE COURT: That's true.

All right. Thank you.

MR. FOERSTER: Thank you, Your Honor.

MS. MEISNER: Thank you for your time, Your Honor.

(The hearing was concluded at 4:01 p.m.)

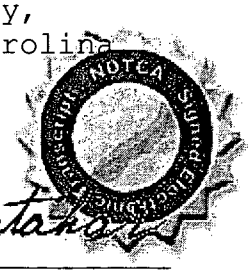
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I further certify that I am neither related to nor counsel for any party to the case pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal this 5th day of July, 2018, at Columbia, Richland County, South Carolina.



Caroll Anne Boutahar
Certified Verbatim Reporter,
Notary Public
South Carolina at Large
My Commission Expires:
December 13, 2021

STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

COUNTY OF RICHLAND

ORIGINAL

SCBT, N.A.,

Plaintiff,

vs.

Case Nos.: 2011-CP-40-06317
and 2011-CP-40-06318

SAND DOLLAR 31, LLC;
RHONDA MEISNER,

Defendants.

H E A R I N G

BEFORE THE HONORABLE JOSEPH M. STRICKLAND

DATE: Wednesday, February 1, 2017

TIME: 9:48 a.m.

LOCATION: Richland County Courthouse
1701 Main Street
Columbia, South Carolina

REPORTED BY: CAROLL ANNE BOUTAHAR
Certified Verbatim Reporter

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THE COURT: Okay. We have two cases. And I think, if no one objects, we're going to consolidate them for the purpose of this hearing.

The first case is Civil Action Number 2011-CP-40-6317. The second case is Civil Action Number 2011-CP-40-6318. Both of them are styled SCBT NA -- which I think stands for -- what?

MR. FOERSTER: Your Honor, we actually amended it in the court of appeals. We have not amended the caption. They now go by South State Bank.

THE COURT: South State Bank. Okay.

MR. FOERSTER: It was SCBT NA prior to that, but it's now South State Bank, Your Honor.

THE COURT: For South Carolina Bank and Trust before that. Okay.

And we've consolidated these hearings today. Our notes indicate that we scheduled a hearing on all pending motions. I spoke with Counsel and Ms. Meisner in my chambers, and it's boiled down to maybe three motions.

The first motion is Defendant's motion to amend the counterclaims.

That's in both cases, Ms. Meisner?

MS. MEISNER: Yes, sir.

THE COURT: Now, if I recall, these cases were

over. There was a judicial sale, and the property is now owned by a company that you control, I guess. And now you want to amend the counterclaims post judgment. Was that something that was not ruled upon by the appellate courts?

MS. MEISNER: Actually, Your Honor, the appeal, as the Respondents noted in their filings before the court of appeals, was an interlocutory order in that, because the Rule 59(e) was ruled on.

If we go back and look at the series of events, the hearing for the foreclosure was in April.

THE COURT: What year, though, ma'am?

MS. MEISNER: I beg your pardon?

THE COURT: What year?

MS. MEISNER: Let me see. That was in --

THE COURT: The reason I asked, the case was filed in 2011.

MS. MEISNER: That's correct.

THE COURT: So I want to make sure that somebody reviewing the record would understand.

MS. MEISNER: Oh. Yes, sir. And probably what might be helpful is to go through the argument that you still retained jurisdiction for all matters post sale, based on the appraisal statute as well as the deficiency statute demanded by the Plaintiffs in the

case.

If you look at your order on -- and I do actually have the hearing and the order above. The hearing was held on April 25, 2012 for the foreclosure.

THE COURT: Do you remember when the judicial sale took place?

MS. MEISNER: The judicial sale was June 5 of that year or June 4 of that year.

THE COURT: In 2012.

MS. MEISNER: And that is when the Plaintiffs placed a bid of $10,000 on one property and $25,000 on another property.

Subsequent to that, in July, the deficiency sale was held in 2012, at which point Kevin Nowell, who, just to clear the record up, was an agent of South Carolina Operating Room Equipment, placed an upset bid and bid one dollar over the bank's bid.

THE COURT: And who owns the property now?

MS. MEISNER: South Carolina Operating Room Equipment, LLC.

THE COURT: And that's your company.

MS. MEISNER: That's the company that I'm the single member of. That's correct.

THE COURT: Okay.

The reason I ask that, I'm not sure I've seen

the scenario before where the moving party post judgment in a foreclosure is actually the present owner of the property. For all practical purposes, you're the owner of the property still, right?

MS. MEISNER: Well, my company is the owner of the property. As you know, an LLC is a separate legal entity.

THE COURT: Yes, ma'am.

MS. MEISNER: And we've submitted the evidence that it is a separate legal entity.

For the appraisal statute -- and I did bring that up. Let me pull up this brief that I did.

THE COURT: Well, the reason I've tried to focus on this, I'm not sure -- even though you have the property, or your company has the property, if you win on your motion to amend the counterclaim, what do you win? Because -- I guess maybe I'm not making myself clear. You're trying to amend the counterclaim, and the case is over, and I'm not sure what you could gain from prevailing on the counterclaims.

MS. MEISNER: Well, Your Honor, you know, I would take the position that the case is not over because you retained the deficiency, the amount of the deficiency, as well as the final deficiency amount in the appraisal statute.

Even though the appeal was interlocutory and they did hear the appeal, if it was not interlocutory, they would have dismissed the appeal and said -- if it was -- for that reason, if it wasn't a substantive right, they would have appealed that because the attorneys' fees plays into the overall deficiency.

THE COURT: What did the court of appeals decide?

MS. MEISNER: The order of the court of appeals reversed on -- reversed the attorneys' fees, and they said the other issues were not properly before them because there was not a ruling by you, basically.

THE COURT: All right. Then that's a --

MS. MEISNER: Mr. Foerster apparently has a different opinion.

MR. FOERSTER: I disagree.

THE COURT: Okay. Go ahead, Mr. Foerster.

MR. FOERSTER: They affirmed on everything else except for the issue of attorneys' fees. They upheld both final orders in this case. The only issue remaining in these cases was the attorneys' fees issue, which they remanded for a hearing and post-judgment remedy under the appraisal statute. So that's all that's left. Everything else is adjudicated in this case with those final orders, Your Honor.

THE COURT: Okay.

Go ahead, Ms. Meisner.

MS. MEISNER: And, Your Honor, that is incorrect. We actually submitted a -- Mr. Foerster was not at the hearing in November, and therefore, I don't believe that he can, you know, testify to what was -- what happened at that hearing. But we did submit to the court of appeals an affidavit from not only an attorney but, obviously, an officer of the court, Richard Gleissner, who was at the hearing.

At that time, November 6 -- and that was 2012 -- you said that we would have a further hearing to go over their motion to vacate the sale, to go over the appraisal statutes, because the appraisals were never submitted. I did file a timely petition for appraisal. I followed the statute. Everything was submitted.

In the interim of that -- and I guess we're getting a little off-track from kind of a logical sequence of this -- in the interim of that, Ms. Stomski made several allegations that I should not hire someone that I had worked with before.

At the time, I was asked by my counsel whether that was someone that I worked with before. I said, Absolutely not. Pursuant to the statute, you can't get someone that you have had a previous relationship with.

And the appraisal statute -- I did actually pull it up, Your Honor. It's Â§ 29-3-680, and it says, In any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked, whether he has theretofore appeared in the action or not, may within thirty days after the sale of the mortgaged property -- so that would have been 30 days from the July 5 date. The application of appraisal was submitted on July 31.

THE COURT: Let me ask Mr. Foerster.

There's no dispute that her request for the appraisal statute was done in a timely manner.

MR. FOERSTER: Yeah. No dispute of that. And we waived -- there was an appraisal waiver within the mortgage. We waived all right and stipulated that she's entitled to the procedures under the appraisal statute. So that's just not an issue.

THE COURT: And Ms. Meisner, let me interrupt you one more time.

MS. MEISNER: Yes, sir.

THE COURT: You want to amend the counterclaims to assert cause of action for abuse of process and malicious prosecution against South State Bank.

Isn't that now moot? If the case is over on

the foreclosure side of it and a company owned by you or controlled by you owns the property, isn't that proposed counterclaim, isn't that moot?

MS. MEISNER: No, sir, because of the deficiency that the bank is claiming. The reason for that is -- and I did find a case on point.

THE COURT: Yes, ma'am.

MS. MEISNER: You know, they have loaned money based on an appraisal that they did in house, their bank did in house.

THE COURT: Right.

MS. MEISNER: So they loaned money on that. Then they went to the foreclosure sale in June 2012. Well, they came to your court, your court of equity, saying, This property, we are owed this much money. This is how much the mortgage is, and requested a foreclosure based on the $63,000 and the $46,000 amounts.

THE COURT: Right.

MS. MEISNER: Three or four months later, after they've come to your court in June, they went to the sale -- I mean, came to your court in April asking for a foreclosure.

Then they went to the foreclosure sale and bid $10,000 on one property, $25,000 on another property,

and then, when they found out that South Carolina Operating Room Equipment was a company that I was a single member of, they did not object in June when -- I mean in July, when they initially saw that someone bought it other than me -- other than one of my companies.

However, when they got the master's report, they objected to the fact that I owned the company that purchased the property and said that that was somehow fraudulent. However, that is absolutely allowed because not only do they allow the bank to do it, there is case law that says that the bank should give their highest and best bid first.

And that's what I was going to -- I think it's the Sanders case.

THE COURT: Okay. Let me discuss this with you. I'm looking at the issue of the appraisal statute and the amount of the deficiency judgment as a separate issue from your motion to amend the counterclaims.

I look at your memo that you submitted some time ago. You said you just want to show a cause of action for abuse of process and malicious prosecution. And your point is that you think the way they got the deficiency judgment was a problem as far as you're concerned.

MS. MEISNER: Yes, Your Honor.

THE COURT: Well, okay. I understand that. And, of course, for the record, a deficiency judgment occurs when the bank has a belief that the property isn't worth what's owed on it.

MS. MEISNER: And therein lies the problem because in their motion to vacate the sale, even though they withdrew the argument, they did not withdraw their opinions of -- I mean, they withdrew their motion. They did not withdraw the argument. And their argument in the motion to vacate the sale was that it was significantly undervalued.

And therefore, the South Carolina Supreme Court has put forth two prongs that have to be satisfied in a motion to vacate the sale. The first prong is if the sale is so inadequate that the inadequacy of the price is so gross as to shock the conscience of the court.

Now, it is actually the bank that shocked the conscience because they're the ones who made the initial bid in June 2012 -- April to May, May to June -- only two to three months before they came to your court and said, This property that we gave her a mortgage for 63,000 and 46,000, whatever the numbers are, and that's what we should be entitled to get the money back from

her.

And then they went in June. And this is Eastern Savings Bank v. Sanders. It's Number 4234. And this is a South Carolina Court of Appeals case. It was decided April 16, 2007. And this was a situation where the bank mistakenly went to the judicial foreclosure sale -- actually, they sent an agent or someone to represent the agent that typically goes from the bank.

The instructions were that she should bid 100,000 as an opening bid, up to 550,000. When she got there, she only bid 100,000 and stopped bidding. So at the deficiency sale the next month, someone bid 235,000. Then the bank wanted to overturn the sale, saying, We would have gone up to 500,000.

They had post-trial, I guess, discussions and a hearing on that to try to -- for the bank to try to set aside that sale. And the court said that there was no reason to set aside the sale. It was their own mistake.

So if the bank bid inadequately at the first sale, there's no obligation to a bidder, even if it is someone else, to bid the value of the property. So their argument that there was some sort of inequitability of me bidding -- me outbidding -- South Carolina Operating Room Equipment outbidding their sale,

that's just not the case.

The inequitable part is to come to your court and to not submit a full bid for the property in June as they should have done. And so I don't think that the application of the foreclosure -- I mean the appraisal statute in any way is limited because a company that I'm a member of bought the property. Those are two separate things. The bank itself can buy it. There's nothing statutorily or legally that says that someone can't rebuy.

THE COURT: Now, if the bank buys it, though, they don't have to pay anything because they've already advanced funds, and they have a lien on the property that they advanced funds for, and they don't have to pay anything. That's the difference between them and you buying it because you actually paid for it or your company actually paid for it.

And the bank -- I shouldn't say they don't have to pay anything. They've already paid for it when they lent the money, I guess, and they have a lien in that regard.

Wouldn't your remedy be the appraisal statutes and not amended counterclaims in this case?

MS. MEISNER: Well, there's two things that are at issue. When they filed the motion to vacate the

sale, they never removed the lis pendens from the property for over a year and a half.

THE COURT: Okay.

MS. MEISNER: And then they subsequently did remove the lis pendens and withdrew their sale. But during that time, that's a slander of title for South Carolina Operating Room Equipment for them to have left the lis pendens on there.

THE COURT: Now, lis pendens -- I'm not sure if it's Greek or Latin or French or whatever, but a lis pendens, I think, loosely translated, is just simply notice of pending litigation.

MS. MEISNER: Yes, sir.

THE COURT: And so how can that be slander of title if it's true that there was litigation going on involving that property? That was true, wasn't it?

MS. MEISNER: Well, Your Honor, according to the foreclosure statutes, once a foreclosure has gone through, the bank has lost all rights to the property as well as -- when they put their first bid in, they own the property, but when the deficiency sale occurs and another entity buys that property, even if it's XYZ or yourself, if you bought the property, the bank would no longer have a right to have a lis pendens on it.

And that's what they did. They left it after

the sale of the property and refused to remove it and refused to remove their motion to vacate the sale. However, their arguments for vacatur are still before the court of equity.

THE COURT: But again, the notice of lis pendens is simply a notice of pending litigation. There's a statute that talks about when you have to have a notice of lis pendens. And as a general rule, any litigation involving title of real estate is one of those things that requires a lis pendens.

And again, we're in court today. That tells you that there's been litigation going on since 2011. And you said there's no longer a lis pendens on that property. Is that correct?

MS. MEISNER: Well, they removed it once we told them that we were going to countersue for the lis pendens from South Carolina Operating Room Equipment, the third party.

THE COURT: Right.

MS. MEISNER: But they still left it. You cannot do a loan on a property, you cannot sell the property, you can't dispose of the property when a lis pendens is there without it being cleared.

THE COURT: All right. But it's gone now.

MS. MEISNER: Yes, but the year and a half

that it was there was still a damage to the ability to do something.

And the other thing I wanted to also mention, Ms. Stomski, in her argument for -- let me pull that up. I apologize. One second, Your Honor.

THE COURT: Yes, ma'am.

MS. MEISNER: Actually, I believe that -- I think she argued this. She didn't put it in writing in the motion to vacate the sale, but she also argued it in front of Your Honor in the July status conference. I do have this hearing. It is a copy. It's not a sealed original transcript. However, I can, if need be, validate it by going through that I made the copy and --

THE COURT: I accept your representation that it's an accurate transcript.

MS. MEISNER: Mr. Foerster, do you have any objections to adding this as an exhibit?

MR. FOERSTER: For what purpose?

MS. MEISNER: For the purpose of going over the testimony that was at the hearing in 2012.

MR. FOERSTER: I mean, I'm not sure this is an evidentiary hearing.

THE COURT: No. Well, I'll -- one moment, please.

Okay. Well, you can just make a

representation to make it proper. So just tell me what it says and what you want me -- and I'll accept your representation as an accurate copy even though it's not the sealed transcript. But just tell me what was said and why you think that helps your position any.

MS. MEISNER: Well, the fact of the matter is that the motion to vacate the sale was just one step along the way. The bank initially filed the Form 4 in violation of the way the form should be filed. It says you don't add the Defendants, the property's name.

They sent a letter directly to me instead of my counsel. At the time, I was not representing myself. Glenn was representing myself and Sand Dollar.

They sent a letter to me saying a judgment in this without the benefit of the appraisal statutes, without the benefit of Your Honor making a decision on the judgment. Those forms, whenever they are filled out with the name of a person and the amount and filed in the judgment roles, affect all other property that I own, either personally or in other company names.

So they basically put me in a position of stymying everything. There was no way that I could do an emergency mortgage or lien or anything else because of the filing of those judgments.

And the supreme court gives specific guidance

on filing those forms, and it says that you shouldn't put the name or the parties and you shouldn't register it in the rolls, but Ms. Stomski did that. Then she sent the letter directly to me.

Now, here is the real abuse of process, Your Honor. I have not finished a legal education. However, I am a college-educated person. There are people that banks are foreclosing against that do not have the benefit of a college education, do not have the ability to see something and understand that what they're telling you they're doing, they just can't do legally.

So the issue is not just for me. This is an abuse of process. An abuse of process is using a legal mechanism. This is certainly a legal mechanism.

Ms. Stomski apologized and said, That's just a different floor. However, the South Carolina supreme court has already chimed in on that. If you're a law firm, you've got to be able to stratify what your other floors are doing and what you're doing.

So she has all along, from the beginning all the way to the end, admonished me for using an appraiser that I may have used before. I never used her before. I never was trying to, as she put it, game the system.

However, Ms. Stomski did. When she hired her appraiser, she hired an appraiser that frequently works

with SCBT NA, that changed to SCBT, that changed to South State Bank. And her excuse was this: We're a big, regional bank. We just can't find an appraiser that doesn't work for us.

That's still not statutorily accurate.

THE COURT: Let me back up again. Now, the whole purpose of a lis pendens, for example, is to put the world on notice of pending litigation. Now, these cases were filed in 2011. Here it is 2017. We're still in court. And you're saying that the presence of a lis pendens was a problem.

And again, my understanding is, all a lis pendens is is notice of pending litigation. And it might scare some people away when they find out that one property that your company is involved in is in court. And we're still in court. And I think it's a moot point. Maybe I'm wrong. And we can deal with it another way when we talk about the appraisal statute.

But as far as a counterclaim, amending the counterclaims, can you explain why you need to have the amendments? You wrote down what the amendments would be, but I'm just not persuaded that that's the way to go about achieving the result you want.

Mr. Foerster, do you have any insight on that?

MR. FOERSTER: Yeah.

Again, we're here on a motion to amended these counterclaims. She's trying to relitigate a motion to vacate the foreclosure sale filed by my client in the aftermath of the upset bids for the deficiency sales.

We withdrew those motions, so it's a nonissue. We never got to a hearing on those motions, so we never went forward with any of the arguments in those motions before withdrawing them. So I just think it's a waste of everybody's time to try to relitigate a motion that was withdrawn and never heard.

The other part of her argument I don't understand. It seems the basis of this new counterclaim that she wants to add in this case is the fact that SCBT, now South State Bank, bid intentionally -- allegedly intentionally bid too low in order to maximize the deficiency judgments against her.

But her own LLC were the successful upset bidders for one extra dollar than the bank. So she, in essence, said that's how much they were worth. Otherwise, she had the power to resolve the entire deficiency herself. She should have just bid up to the entire debt amount, and we wouldn't be here anymore, and that would have wiped out the deficiency. But she chose not to do that.

And back to the motion to amend. I think the

standard is that motions shall be freely granted when justice requires, but there's an element that it cannot prejudice the other party. And here we are. We are post judgment, post appeal.

I couldn't find any case law out there saying that an amendment is proper at this stage of a case. I did find cases where people were allowed to amend on the eve of trial when the court continued the case for a month to allow for discovery on those new claims, but that's the latest stage for which I could find case supporting the granting of a motion to amend. I couldn't find any case law post judgment and post appeal.

So it would be certainly prejudicial to my client to reopen these judgments, reopen all the issues in this case. We'd have to have another trial five years after the first trials in these cases. I think that's highly prejudicial. Whether to grant or deny a motion to amend is within the sound discretion of Your Honor.

So I think, Your Honor -- I don't think the court of appeals would find there's an abuse of discretion if Your Honor was to deny a motion to amend at this late, late stage in these proceedings.

Further, she wants to add a claim for abuse of

process. One of the elements of abuse of process is that there has to be a termination of the proceeding in her favor. That's one of the elements. She cannot show that. This case was terminated in the bank's favor. So it would be futile to allow her to amend or add a claim that she cannot possibly prove.

And finally, she got into this issue of entry of Form 4 orders with the full judgment amounts on them. That case was litigated in the court of appeals. The court of appeals affirmed Your Honor in doing that action. So she's trying to open up and reargue issues that the court of appeals has already resolved.

I think at this point, her remedy, really, is under these appraisal statues, and I think that's what we're here on today, but allowing her to amend at this late stage would be highly prejudicial to my client, Your Honor.

Thank you.

THE COURT: Ms. Meisner, anything further?

MS. MEISNER: Yes, sir. I do want to get the arguments from Ms. Stomski and read those into the record because I think that that gives the benefit -- Mr. Foerster's argument that there was no benefit.

The reason that we're here is in this interlocutory appeal, the court of appeals did send it

back to Your Honor to determine the attorneys' fees, and that's one of the ways that the Defendants abused the process. They were supposed to do an affidavit of attorneys' fees in advance of the foreclosure. They did not do that.

Unfortunately, she used as her excuse that she was in Charleston and got it to my attorney as quick as possible, which really is not what is...

THE COURT: So your argument is that as a result, they're not entitled to attorneys' fees. Is that what you're trying to say?

MS. MEISNER: Well, Your Honor, I don't think they're entitled to attorneys' fees, but I also think that they abused the process by hiring an appraiser that they used before in violation of the statue when she argued that it was important to go by the statute. She provided emails saying, We need to confirm that you're abiding by the statute, and then she does exactly what she says is not supposed to happen.

THE COURT: Now, in South Carolina, we get attorneys' fees in three different ways. We get attorneys' fees because the contract provided for attorneys' fees in case certain things happened or didn't happen.

We also get attorneys' fees when there's a

statute that awards attorneys' fees to a prevailing party.

And then the third way is through sanctions, which, I guess, is more rare than the other two.

And you're saying in this case, they're not entitled to attorneys' fees. It sounds like you're saying because of the sanction for what you consider abuse of process. Is that accurate, what I've said?

MS. MEISNER: Yes, Your Honor. I would say that that's accurate. Ms. Stomski -- and the other thing that needs to be addressed -- and I guess we can go through -- are we doing the attorneys' fees or are we still on the motion to amend because --

THE COURT: Well, we're still on the motion to amend the counterclaim. I haven't ruled on that. I was going to rule, but I wanted you to make sure you finished your presentation.

MS. MEISNER: Yes, sir.

So I do think that it's important to go through all of the steps along the way where there were abuses of the process, of foreclosure and deficiency and appraisal statutes on behalf of the bank.

I mentioned earlier that they sent me letters showing that the -- first, I think that it's important that we get the court of appeals ruling, because they

reversed on the attorneys' fees because there was no affidavit filed with the court as required.

The other two arguments said that they were not before the court of appeals properly, the way that I read the order, because there was no ruling down below.

It's my position that as of the November 6 hearing in 2012, that you maintained jurisdiction and your order of foreclosure maintained jurisdiction to find the appraised value and the deficiency statute.

So from the standpoint -- I think Mr. Foerster is arguing that there is no -- the Court doesn't have jurisdiction to review these things. However, the order specifically -- let me pull up my notes for a second to make sure that we have all this on the record.

I apologize, Your Honor, for sitting.

THE COURT: No. You're fine. I apologize for standing.

MS. MEISNER: Thank you, Your Honor.

I think it was Number 20 in your order. I do have the full record on appeal that I can show you. But at Number 24, the Court -- you ordered, The Plaintiff shall have judgment demanded against Sand Dollar and Meisner. The Plaintiff may waive any of its rights, including the right to personal or deficiency judgment, at that time before foreclosure.

And then you went on to say, The amount of the judgment shall be subject to increase for costs, commissions, and expenses not included in the minimum deposit. It may also include supplemental attorneys' fees not contemplated in the original order. Jurisdiction over the fee award and the total debt is reserved to facilitate the assessment and payment of such costs or supplemental compensation.

So to say that the Court maintains jurisdiction only for the fee award would be violative of the appraisal statutes in all of the other thing.

And then later, it says in that --

THE COURT: I don't think I said that. I'm trying to remember. I didn't say I only had jurisdiction over the fees.

MS. MEISNER: No, sir. No. I'm sorry. That was an argument that I added into --

THE COURT: Oh. Okay.

MS. MEISNER: -- your orders. I apologize.

THE COURT: That's all right.

MS. MEISNER: I'm arguing that you maintain jurisdiction until the final judgment amount is paid even though Mr. Foerster says that I have not had a beneficial result for abuse of process. I think the fact that the attorneys' fees -- that they abused the

process by not providing the court with their affidavit and so forth two days in advance. And they abused me too. I just didn't object to that particular thing. But now I am.

THE COURT: All right.

MS. MEISNER: The other thing that I wanted to mention is in the hearing held on July 25, Ms. Stomski even argues that -- and actually, I believe it's an affirmative admission that the bank knew that the property was valued at more than they did the appraisal sale because she argues -- well, first of all, we did make an objection during the hearing about the attorneys' fees. In this July hearing, we talked about the amounts --

THE COURT: What do you make of Mr. Foerster's argument that since you all are now the owners and your bid -- if you say the deficiency is too big -- but your company bid as a third-party bidder. It didn't bid as the mortgagor, did it?

MS. MEISNER: That's correct. It was a third party. And so you have two separate things. I mean, they would like to conflate these issues as one and say that you could have bid the proper amount and reduced the deficiency.

THE COURT: That's true.

MS. MEISNER: But, as the bidder, you're not required to do that. And the appraisal statute is not for the benefit of the bank. It's for the benefit of the Defendant, which is me, personally, and Sand Dollar.

THE COURT: All right. For clarity of the record, I'm going to rule on your motion to amend the counterclaims at this time. Your motion to amend the counterclaims is denied.

Now, the next issue that I want to deal with is the appraisal statute. And what's your concern about the appraisal statute, that the statute wasn't followed or that you just didn't have the right...

You know, some judges -- I won't say how I feel -- look with disfavor on deficiency judgments. And what I always wonder -- and I don't claim to tell people how to do their own case, but when somebody demands a deficiency judgment, my reaction would be, as an affirmative defense, to say the bank was wrong in their appraisal because many times over the years, I've seen banks use the same appraisal they made when the property was initially sold, and they haven't updated it in umpteen years, and they come to court, and they say, Well, we think it's worth this. And I'm not sure the appraisals are accurate, I guess, to be honest with you.

But in this case, what would you like to do?

What has been done, and what would you like to do, Ms. Meisner, as far as the appraisal is concerned?

MS. MEISNER: Well, we accept their argument that the deficiency -- that the mortgage amount should -- the value of the property should be the mortgage amount. That's what they argued in their motion to vacate the sale.

Ms. Stomski, in the hearing on July 18, said, I really want to make sure the Court is aware -- well, first of all, she says that another floor in the department sent out the letters to me saying that, you know, you owe this money and so forth.

THE COURT: Have you had your own appraisal done?

MS. MEISNER: Yes, I did have the appraisals done.

THE COURT: Okay. And what was that --

MS. MEISNER: But then we found out that the appraiser for the bank actually had conversations with the appraiser that I hired, and he apparently worked on the commercial side of the bank, so he was never an approved appraiser at that time.

THE COURT: Aren't they -- they're supposed to get together, aren't they? Aren't they supposed to consult and reach out and reach an agreement as to what

the property is worth? That's not your understanding of the appraisal statute?

MS. MEISNER: Well, the appraisal statute, Your Honor, says -- and I'll have to pull this back up. I apologize.

THE COURT: That's all right.

MS. MEISNER: But it says, basically, that two appraisers go out and appraise the property.

THE COURT: Right.

MS. MEISNER: Then they submit their appraisals to the court, and the court -- if the appraisers can't agree after the submission, then the court will modify it or --

THE COURT: Well, the court can appoint its own appraiser.

MS. MEISNER: -- appoint a third appraiser.

THE COURT: Yeah. Yeah. I mean, your argument was that they had a conversation with one another, and all these years, I thought they were supposed to get together and try to reach an agreement as to what the appraised value of the property is.

MS. MEISNER: They're supposed to submit their appraisal before they get together so that, you know, one appraiser that works for the bank and tells my appraiser that this is going to court doesn't influence

how the appraisals work. That is the issue.

THE COURT: Okay. Is there a case? Do you have any case or any precedent or anything to support your position on that issue?

MS. MEISNER: On the valuation of the property?

THE COURT: No. You said that the statute wasn't followed because they were supposed to submit the appraisal first and then --

MS. MEISNER: Yes, sir, I do. It's in the statute itself. It says that...

MR. FOERSTER: Your Honor, I have the statute.

THE COURT: That's fine. No. I'm willing to --

MS. MEISNER: It should be an independent party that doesn't work with them. And actually, the bank is well aware of that because Ms. Stomski says...

THE COURT: What was your appraiser's conclusion?

MS. MEISNER: I don't have the appraisals with me, and I can't remember her valuations, but I thought they were very low. As you know, Your Honor, I'm a broker in real estate as well, and the property two doors down just sold for almost $80-something-thousand from the appraisal.

THE COURT: Okay.

MS. MEISNER: So I did not agree with that.

Some of the comparables that were used were other foreclosure amounts. And in fact, this property was purchased from a foreclosure before. It was purchased many years before at $36,000, which is, you know, 11,000 less than -- at a judicial foreclosure sale, it was purchased for 11,000 less than the bank valued the property five years later.

That same thing came up in Eastern Savings Bank v. Sanders. And the bank said that he -- that they valued the property in this situation at 700,000. They did not have a bid, but they had the bank valuing at one thing. They loaned money for 500, almost $600,000, and then they -- the bidding was reopened at 246, but the bank filed a motion to vacate, saying that they mistakenly bid low.

THE COURT: That was in the other case.

MS. MEISNER: This is in the other case.

THE COURT: Now, you say you don't remember what your appraiser's conclusion was in this case.

MS. MEISNER: I do not know the exact amounts, but it was less than $30,000 for the Linden Street house, and the other house was -- I don't remember the amount. It could have been -- I don't remember the

amount.

THE COURT: What did your client bid? I'm sorry. Not your client. Your company. I'm sorry.

MS. MEISNER: One dollar more than the bank's bid, so the bank --

THE COURT: Which is how much?

MS. MEISNER: $25,001 for the Linden Street house and $10,001 for the 8391.

THE COURT: All right.

Mr. Foerster, what was the amount of the deficiency judgment?

MR. FOERSTER: The deficiency on the Linden Street property is $40,571.63. The deficiency on the other property, the property that's the subject of Action 6318, is $34,164.22.

I have our appraisals here today from 2012, and our appraiser came back and said that the Linden Street property is worth $25,000, which is right around the bid, and that the Winnsboro Road property is worth about $16,000, which is more than the bid, so she'd get the benefit of that extra $6,000.

MS. MEISNER: But, Your Honor, I must say, Ms. Stomski said that the proper amount was the amount of the mortgage, and that makes sense from the standpoint of if the bank is going to loan money and

they've loaned the mortgage amount, and then they come and get a foreclosure on that higher amount, and then they come back to Your Honor and say, We think -- I really want to get her exact words, because she said, Then she buys it with a -- the equity. So she's admitting the bank thought that there was equity in the property.

THE COURT: Well, I've been here long enough that I've actually seen boom and bust situations. When I was growing up, I was always told that real estate never depreciates, that God's not going to make any more of it, and if you buy real estate, you'll never go wrong.

But I was witness to the train wreck of the recession back in 2008 and before and after those years, and so I know that, at least with the recession, a lot of real estate -- and you probably know better than I do -- wouldn't sell for what it was appraised for before 2008 because of what happened.

I want to know your numbers because, quite frankly, if your numbers are reasonable, I was going to give great weight to what your appraiser found out because, again, the whole purpose of the appraisal statute is that the mortgagor doesn't have to accept the bank's opinion as to what the property is worth.

Do you want me to leave the record open to get those numbers?

MS. MEISNER: Well, Your Honor, actually, we did accept the opinion of the bank, and the opinion of the bank was that the property was fairly valued in their motion to vacate the sale at the mortgage amount.

THE COURT: What amount did you accept as a deficiency judgment?

MS. MEISNER: We didn't -- we never got to that because they filed the motion to vacate. And we said, Okay. If you're saying that the property is worth the mortgage amount, we accept that as your position for the value of the property.

THE COURT: Okay.

Mr. Foerster, what's your appraiser say the property -- you told me just now what they appraised them at.

MR. FOERSTER: Yes, and I have copies of --

THE COURT: But tell me what the amount of the deficiency judgment is.

MR. FOERSTER: I'll do each case. 63,100.07, which is the Linden Street property. The upset bid was $25,001, so that left a -- an order of deficiency was entered for $40,571.63. Our appraiser said that as of the date of the sale, the property was worth $25,000, so

right in line with what her LLC bid on it.

For Civil Action 6318, her LLC bid $10,001 on that property, the Winnsboro Road property, so there was an order of deficiency entered for $34,164.22. And our appraiser came back and said that the property was probably worth $16,000 around that time.

THE COURT: Okay.

And Ms. Meisner, you said that you all accepted the bank's appraisal, but then you said --

MS. MEISNER: No. We never got those appraisal figures. What was accepted was their argument that the property was fairly valued at the mortgage rate. And we submitted varied briefs on that point, that Ms. Stomski, on behalf of the bank -- that's her client -- made the representations to the Court that a fair value of the property was the appraised amount. I've never seen those appraisals. They've never submitted them to me.

THE COURT: Now, Ms. Stomski, what was the amount that she said the property was worth?

MS. MEISNER: The amount of the mortgage.

THE COURT: Which is how much?

MS. MEISNER: When she filed for the foreclosure -- I have to find those.

THE COURT: Okay.

MS. MEISNER: I was trying to find her arguments to the Court. It's all part of the record, but I guess we need to --

THE COURT: Well, I mean --

MS. MEISNER: She said it was the amount of the mortgage, so their foreclosure minus their attorneys' fees and costs was what they argued the property was. And in her -- and unfortunately, that's the paper that I did not bring. It's the one that they filed in court saying that they valued the property at the mortgage, that there is case law that represents a fair value of the property is the mortgage.

As you know, under South Carolina law, the owner of a property can value it.

THE COURT: Well --

MS. MEISNER: The bank, at the time they made this representation said that the value was the amount of the mortgage.

THE COURT: I think under the law -- and I'll have to go back and research this -- the owner of the property, particularly in condemnation actions and matters such as this, their opinion as to what the property is worth is certainly looked upon with favor, and they have the right to give their own opinion as to what the property is worth.

You asked that the Court accept the argument that the property is worth the mortgage. The property was worth what was paid for it when you had a closing.

All right. I'm going to leave the record open for you to give me that number because I was hoping to resolve all this today.

MS. MEISNER: Well, I think I can get those numbers for you, Your Honor.

MR. FOERSTER: I have the numbers.

THE COURT: You have the numbers? Okay.

MR. FOERSTER: Your Honor, but, again, she's arguing that we are bound by a withdrawn motion. And she's citing the case law from 1990, 18 years before the recession when we learned that sometimes, the value of the mortgage is not a good indication of the value of property.

THE COURT: What was the value of the mortgage, though?

MR. FOERSTER: For Linden Street, it was $82,280, and for the 6318 case, the Winnsboro Road, it was 72,000.

THE COURT: Now, how much would the deficiency judgment be if you keyed in those numbers as the value of the property?

MS. MEISNER: There would be no deficiency,

Your Honor.

THE COURT: Because the deficiency judgment, again, is an assertion by the lender that the property isn't worth what's owed on it.

MR. FOERSTER: Right.

THE COURT: And Ms. Meisner wants you to accept the figure as the mortgage. Whatever they paid for it when it closed, that's what they want to be the value of the property now. And I'm wondering, again, what would the deficiency be if, in fact, I accepted her analysis.

MR. FOERSTER: The total judgment in 6317 was $63,734, which is less than the $82,000 judgment figure. She's arguing this because it would probably wipe out the deficiency.

THE COURT: I understand.

MR. FOERSTER: But again, she has to prove judicial estoppel, which is what she's arguing, judicially estopped by a motion that was withdrawn.

THE COURT: All right. Now the other property. Tell me what the price was. I think you already did it.

MR. FOERSTER: The other judgment amount, I think, was $43,000, and that was on a $72,000 mortgage, I believe.

THE COURT: Okay.

MS. MEISNER: Your Honor, I'm not trying to correct Mr. Foerster. I think you're using the previous appraisal amounts because the mortgages were never that high, so you're probably using the bank's appraisal from before when they loaned the money.

MR. FOERSTER: I'm looking at --

MS. MEISNER: These were commercial loans that are only -- that the bank only loans 70 percent of the mortgage -- of the value. So I think that what you're doing is inadvertently giving the appraisal from the -- from before.

THE COURT: Now, Mr. Foerster, let's revisit --

MR. FOERSTER: Your Honor, I apologize. I was looking at the amount listed on the mortgage. I have the notes. Let's see.

For 6317, it looks like the original loan amount was 31,140.

Does that sound right?

MS. MEISNER: That's correct.

MR. FOERSTER: And the note amount for Civil Action 6318 was $36,000.

Do you agree with that?

MS. MEISNER: That's correct.

MR. FOERSTER: Okay. My apologies.

THE COURT: That's fine. That's fine.

MR. FOERSTER: The mortgage is secured up to 72,000 if there are advances and things like that.

THE COURT: All right.

MS. MEISNER: And, Your Honor, the other thing that I would mention is Ms. Stomski, in her arguments, did value the property -- now, he's saying that I haven't proved judicial estoppel, but I think the argument is that they came to a court of equity saying that we want to foreclose on this, and this is how much we loaned. Then they took it -- they got the benefit of the foreclosure at that initial representation to the Court.

Then they went to the foreclosure sale and bid less at the foreclosure sale than they said in their request for foreclosure, and then they filed a motion to vacate the sale, saying, No. No. No. It's worth the first one.

THE COURT: But he said they withdrew that motion, that the Court didn't rule on it.

MS. MEISNER: Well, Your Honor, judicial estoppel doesn't require that you withdraw -- I mean, just because they withdrew the motion, they did not withdraw their opinion of the valuation from the Court.

And that's the issue. They represented to the Court that it was valued at the mortgage amount.

Additionally, you have to remember, these two mortgages -- these two foreclosures happened at a time when I had lost my job, and the tenants there could not do it.

I paid $1872 because I'd just got a new job the month before, but they went ahead with the foreclosure even though the Court took judicial notice that the payment -- where one loan was brought current. Ms. Stomski argued that these foreclosures still needed to go forward because of the banks cross-collateralization clauses.

THE COURT: Now, there's been a deficiency judgment entered. Is that correct, on both cases?

MR. FOERSTER: Yes, Your Honor.

THE COURT: Has that been appealed?

MS. MEISNER: Well, it was not entered because of the appraisal statute. Again, that's why the abuse of process claim. They have appraisals that did not do. We had the hearing on November 6 to determine the deficiency, which Your Honor kept open and said we would wait until we got a court reporter to go over all of that.

So that is what we're looking for today is --

THE COURT: But I actually signed an order saying, This is what the deficiency judgment is, and that's been recorded.

MS. MEISNER: That hasn't been served on us.

MR. FOERSTER: They were entered August 8, 2012 in both cases.

MS. MEISNER: But those were never served on us by Ms. Stomski or Mr. Foerster or anybody else.

The original one from April prior to the judgment of foreclosure, prior to the deficiency sale, was sent to us, but we...

Did you ever receive any -- have you ever received --

THE COURT: What prompted you to challenge it if you didn't know what the amount was, the deficiency --

MS. MEISNER: I found out what the amount is today when he said this.

THE COURT: So you didn't know what the judgment was against you before today?

MS. MEISNER: Well, I knew what they were asking for in the foreclosure. I don't want to sound like a simpleton here.

THE COURT: Oh. No.

MS. MEISNER: I knew what they were asking for

in the foreclosure, and I knew what they bid on the property and what I paid on the property, and I know what Ms. Stomski argued for that. But I never got the final --

THE COURT: Okay. When I rule and sign an order establishing a deficiency judgment, I'm basing it on what was before me.

I think your remedy in this case, in this particular issue, is to appeal those orders if you think I made a mistake as far as what I signed, as far as I signed an order establishing a deficiency judgment. And if you think I'm wrong, then you can go up. And I'm pretty sure it's a final order.

Now, they may argue that it's not timely because the judgments were entered back in 2012, but I wouldn't necessarily -- you didn't know until today that you had a claim, right? This is the first time you've heard that you could appeal the deficiency judgment.

MS. MEISNER: Well, the fact of the matter is -- what was the date of that deficiency order or whatever?

MR. FOERSTER: It was filed in August 2012.

MS. MEISNER: August what?

MR. FOERSTER: Order of deficiency -- August 8, 2012.

MS. MEISNER: Well, July 31 was when the petition for the appraisals were submitted, so that deficiency judgment would have been changed once the appraisals got in there. So that is an interlocutory order as far as I can see because you maintained -- I had no notice that that was the be-all, end-all because I have a verified petition for --

THE COURT: But you said you never got served with the order entering deficiency judgment.

MS. MEISNER: No. I never got served with that. And not only that --

THE COURT: That's fine.

MS. MEISNER: -- there was one that was served in April, I think, and that was the one we complained to you about the fact that Ms. Stomski put the Form 4 in to the court with the names and so forth.

The other thing that she did when she signed those is she attributed the exact amounts to both Sand Dollar and to me personally. So that, in effect, gave a third party the misapprehension that it doubled the amount of the deficiency.

THE COURT: Well, again, if I'm going to sign an order establishing deficiency and it was never dealt with by the courts, I'm willing to say that -- you say you never got served. You haven't been served yet with

the final orders establishing --

MS. MEISNER: No, sir.

THE COURT: Okay. Well, then, I don't know what the appellate court can do with that, but I don't think your time starts to run until you get served with it, so that would not prejudice you at all.

But I guess what we'll do, I'll go ahead and stand on what I ruled on four, almost five years ago, going on five years ago. And again, I think if you never got served with it, then I think you have the right to either appeal it -- because when you appeal, you're saying the judge made a mistake or some other deficiency took place.

But I think that's what we'll do on that issue. I'm not going to make a ruling now regarding these appraisals.

Yes, ma'am.

MS. MEISNER: I would like for you to reconsider that. The reason is threefold. First of all, on July 31 -- July 18, Ms. Stomski said --

THE COURT: What year?

MS. MEISNER: -- and you asked her during the hearing --

THE COURT: What year? What year?

MS. MEISNER: I'm sorry, Your Honor.

THE COURT: That's all right.

MS. MEISNER: It's 2012, the very year that you're talking about that two weeks later, you signed a deficiency judgment on August 8. She says that there is no deficiency determined as of yet. This is July 18.

THE COURT: But we did have --

MS. MEISNER: We talked about the appraisal statutes, and they filed their motion to vacate after the deficiency judgment was signed.

THE COURT: But they said it was withdrawn.

MS. MEISNER: Your Honor, I --

THE COURT: You're saying even though they withdrew it, they're still bound by it.

MS. MEISNER: Yes, sir, because they took the position. They can't change it in the same proceedings. And even though the deficiency was signed before, number one, it was never served on us so that we could appeal. Number two, you sent an order for a status conference of November 6, after that was signed, to -- let me find that. I'm sorry. I've gotten off track in my --

THE COURT: That's okay. I didn't mean to get you off track.

MS. MEISNER: No. No. No. It's not your fault. It's mine.

THE COURT: Well, no. It's nobody's fault. It's just that if I ruled five years ago, almost five years ago, I'm standing by that ruling, and your remedy, if you never got served, you'll get served, and your time for appeal doesn't start to run, I don't believe, until after you get served.

And I think you can do it because I -- I've never quite seen a situation like this before. And I may have made a mistake, but I think that's for the court of appeals under the supreme court to decide if I made a mistake. And if I did, then you're in good shape. If not, you're going to be bound by what I signed back in 2012 that you never saw.

MS. MEISNER: Your Honor, the other issue is that there are two entities that there is a deficiency. I don't know if there was a deficiency signed for both me and Sand Dollar 31.

THE COURT: Mr. Foerster --

MS. MEISNER: Mr. Foerster, do you know?

MR. FOERSTER: Yeah. In both cases.

Your Honor, with respect to these deficiency orders, they merely reflect the difference between the foreclosure upset bid price and the judgment amount with the understanding that these deficiency judgments were going to change depending on the appraisal process.

And so I thought that's what we were doing here today. Those judgments are going to change depending on what happens with the appraisals.

THE COURT: I understand that, but I think we need to kind of bang the gavel today and let the appellate courts determine if I made a mistake.

You say I'm making a mistake because you want a bigger deficiency, I guess.

MR. FOERSTER: No. No. No. I don't know. I just want the appraisal -- if it goes against me or in my favor, I think that that's just the way it's going to fall.

THE COURT: You said you've already gotten the report from your appraiser. Is that correct?

MR. FOERSTER: Yes, we did.

THE COURT: And Ms. Meisner already has one from her appraiser, even though she says -- basically, she says it's not valid because they were talking to each other.

MS. MEISNER: Well, we accepted the appraisal that the Plaintiffs submitted to Your Honor, to the Court.

Your Honor, could we take a quick break for about 15 minutes so that I can look through my notes --

THE COURT: Sure.

MS. MEISNER: -- and make sure that everything is --

THE COURT: Sure. It's 10:05, I guess. Was it 11?

MS. MEISNER: Yeah. His hearing is at 11, so it would take him like ten minutes. Could we do 11:15?

MR. FOERSTER: Yeah. And with this issue of service, I mean, Mr. Bowen was representing her at the time, so I need to see if he was served with these deficiency orders.

THE COURT: All right. We'll come back at 11:15.

MS. MEISNER: Thank you, Your Honor.

MR. FOERSTER: Thank you, Your Honor.

(A recess transpired.)

THE COURT: Please proceed.

MS. MEISNER: So, Your Honor, during our break, I did have an opportunity to go back and get some of the papers that I had inadvertently not mailed -- not brought with me.

To that point, I just wanted to go through a chronology of events because I think that may shed some light on when things were --

THE COURT: Okay. Now, I've already ruled on denying your motion to amend the counterclaims.

Could you draft a brief, nonargumentative order?

MR. FOERSTER: I'm sorry?

THE COURT: Could you draft a brief, nonargumentative order?

MR. FOERSTER: Yes, Your Honor.

THE COURT: Now, we're talking now about the appraisal statutes, right?

MS. MEISNER: Well, I wanted to start with the court of appeals ruling and your rulings on -- before.

The court of appeals ruled -- and I think that there was some dispute in our interpretation of the ruling, but I brought it with me. And it said, On appeal, Meisner argues the Master erred in awarding attorneys' fees.

Number 2, South Carolina Bank and Trust was estopped from valuing the properties less than the amounts stated in the motion to vacate the judicial sale.

The Master erred in allowing the judgments of foreclosure to be entered and denying the motion to alter and amend.

THE COURT: That's what the court of appeals said?

MS. MEISNER: No. I'm reading the order from

them. That's what was on appeal.

THE COURT: Okay.

MS. MEISNER: Their finding was, We find the Master abused his discretion in determining the bank's attorneys' fees were reasonable without reviewing the affidavits of attorneys' fees.

Where there is a contract the award -- and they cite US Bank v. Bell, and then they go through, and they also cite Jackson v. Speed.

As to Meisner's remaining issues on appeal, we affirm pursuant to 220(b)(1). As to whether the bank was estopped in valuing the properties less than the amount stated in the motion to vacate the sale, they cite Cowburn versus Leventis. In order for an issue to be preserved for appellate review, it must be raised and ruled on by the trial court.

Now, here is the ruling that was appealed, the Rule 59(e) motion, which was made in June of that year. That order was signed in November. So that was appealed back --

THE COURT: When --

MS. MEISNER: -- June 2012.

THE COURT: Okay.

MS. MEISNER: The motion to amend was filed, and it was basically a request to review the judgment

entered. However, that was before the appraisal statute. That was before the motion to vacate the sale. That was before the summons and appointment of hearing for November 6, that motion. So that appeal was before all of those things and before we had a ruling on that.

On November 6, we went over the motion to vacate the sale, the fact that the bank did not appoint an appraiser that was valid pursuant to the statute, and the fact that they entered judgments against me, personally, without proving that the guaranty was a personal guaranty as opposed to a member because nothing on the guaranty says that it was a personal guaranty.

And secondarily, at the hearing on April 25, Ms. Wolfson only testified that I signed the documents. The documents themselves talk about Sand Dollar. Later, after that ruling of --

THE COURT: Haven't we already dealt with these issues?

MS. MEISNER: No, sir, because the motion to amend was because the entire amount that the bank said was owed without the benefit of the appraisal statute, without those other things, was in July. And we had a hearing on that on November 6, 2012.

I appealed the attorneys' fees award because all of that was discussed on November 6 in the motion to

amend. This is absolutely a case of procedure. And the procedure is, even though it was signed on the same day as the hearing, there was no court reporter to take down what was said, and those orders were never ruled on to go up to the court of appeals.

So those are the orders that we need a ruling on, which is, the bank is judicially estopped from valuing the properties less than they argued to the Court.

THE COURT: All right. That request is denied because, if I'm not mistaken, you withdrew that motion. Is that right?

MR. FOERSTER: Yes, Your Honor.

THE COURT: Okay.

MS. MEISNER: Your Honor, the review of that motion was after --

THE COURT: The withdrawal of the motion.

MS. MEISNER: It was withdrawn a year and a half later, after the bank had already made the arguments about the valuation of the property, which we accepted.

We filed an application for the acceptance of the valuation -- appraisal statutes on July 31, 2012. Ms. Stomski argued that the value of the property should be valued at the mortgage amount in August, and her --

let me find that.

THE COURT: So even though I've ruled, you're going to argue anyway, right?

MS. MEISNER: Well, Your Honor, I just want to make sure that I don't leave something off as far as the rulings because, in my mind, this is truly a case of abuse of process along the way, and I just want to make sure everything is ruled on because, you know, interlocutory orders can be appealed and --

THE COURT: In certain circumstances, yes, but normally, you appeal a final order.

MS. MEISNER: Yes, sir.

THE COURT: So I've already ruled that your motion to amend the counterclaim was denied.

And your judicial estoppel argument, I ruled that because the motion was withdrawn, there's no judicial estoppel, so that request is denied as well.

Now are you still going to talk about attorneys' fees, or do you want to talk about the appraisal statutes?

MS. MEISNER: Yes, sir. I do want to talk about both of those things, but before we get there, I wanted to mention that she filed her motion to withdraw -- motion to vacate the sale on September 6, 2012.

And in that, she argued in September that I could not defeat SCBT's statutory right to a deficiency by deliberately bidding on a subject property through an undisclosed agent in an amount less than the original purchase price and the loan amount she borrowed, while, at the same time, scheming to use her appraisal rights to eliminate or reduce the deficiency judgment based on the very bid she claims is significantly beneath the appraised value.

The problem is, the bank is the one who significantly bid beneath the appraised value.

She goes on to argue that she is aggreged by the fact that -- it is egregious for me to buy the property or for one of my companies to buy the property when they should have been able to get the property and double dip.

And she says, The purpose of the judicial sale in a mortgage foreclosure is to remove the mortgage encumbrance from the property, thereby the amount of the mortgage is a fair gauge of the property's value in the hands of the buyer.

And she cites Arrow Bonding Company v. Warren, supreme court. Mr. Foerster recently said that it was a 2000 case, but this was a supreme court, South Carolina Supreme Court case in 2012. It was filed August 29,

2012, citing Investors Savings Bank v. Phelps, which was the 1990 case that he was referencing.

However, the supreme court came back and said the amount of the mortgage is a fair gauge of the property. They argued that to Your Honor and said that that is a fair gauge of the property's value. We accepted that value. And then, in an attempt to increase their deficiency, they say, Oh, no. No. No. No. No. We didn't mean to do that. We didn't mean to admit what the real value of the property was or what their opinion was.

And as you noticed earlier in the hearing, Mr. Foerster read off numbers that were from the original appraisal when they originally loaned the money.

Here is a situation where these properties should have never gone into foreclosure to begin with because I brought one property current. I had just started my new job a month before.

And since we've been in this, every step along the way, they've one-offed what they're supposed to do in the judicial proceedings, including arguing that it should set aside and not providing attorneys' fees affidavits timely, not doing those other things.

But I just think that it's very inequitable to

basically allow the bank to get away with this. I mean --

THE COURT: I'm confused. What did the bank get away with? You still have the properties. Well, not you, but the company you control owns the properties. And the company you control bid one dollar more than the bid at the judicial sale, so they got the property. And you're saying that the bank has done something that's not in accord with state law. Is that your position?

MS. MEISNER: Yes, sir. They did not comply with state law. They did not comply with the appraisal statutes. And it's admitted in Ms. Stomski's argument before the April --

THE COURT: And the bottom line is, you don't want either. You want no deficiency judgment or one that's much smaller.

MS. MEISNER: Well, the bottom line is, when a party comes to a court of equity and argues the value should be the mortgage amount and in the same breath says that it's somehow illegal or wrong for another entity to build on that...

I told the bank, Give me a few months, and I'll get caught back up. They said I owed $5300. I paid them 1800. I'd only been working one month. 1872.

That was all a matter of record before. Still, they went through with the foreclosure, and it was -- they should be held accountable to their filings in court.

And I think that it's somewhat of a fraudulent filing to come into court and say, We loaned her this amount of money on this property, and then go to the sale and purchase the property back and then say, Oh, no. We want to vacate. We want a do-over. We want to take a do-over. Oh, no. No. No. Oh. That means that we valued the property at the mortgage amount. Oh. Wait. We still want our deficiency. Okay. We'll withdraw that motion so it just disappears.

The argument doesn't disappear, Your Honor. It's still there. And it shows -- and Mr. Foerster said earlier the values that they gave previously. I don't know which numbers he was reading from, but it sounded like the value of the mortgage was about 70 percent of the numbers that he recited. So, I mean, of course, he doesn't have to disclose what he was citing from.

MR. FOERSTER: The mortgage. That's the amount that the mortgage said they could advance up to if they wanted to.

THE COURT: Right. Well, as far as any argument that the appraisal statutes weren't complied with, Ms. Meisner, you had an appraisal done.

And, Mr. Foerster, you had the appraisal done.

Now, what's wrong? You said that the appraisers didn't submit it to the court.

MS. MEISNER: That's correct.

THE COURT: And you were concerned because they talked to each other.

MS. MEISNER: Well, no. I'm also concerned with the fact that Ms. Stomski chose an appraiser that was outside the statutes of -- the appraisal statutes.

THE COURT: How so? Tell me about that again?

MS. MEISNER: He -- this gentleman here -- I beg your pardon.

THE COURT: Yes, ma'am.

MS. MEISNER: Eugene Garvin routinely works for South State Bank in their commercial department and routinely does appraisals for the bank.

THE COURT: And that's against the law.

MS. MEISNER: Yes, sir. According to the statute, it says it has to be --

THE COURT: Show me that in the statute.

MS. MEISNER: Let me find that.

MR. FOERSTER: I've got a copy of the statute if Your Honor would like to see it.

MS. MEISNER: So you want to read it in?

THE COURT: Well, let me look at it.

MR. FOERSTER: Sure.

MS. MEISNER: It has to be disinterested parties and not worked before.

MR. FOERSTER: I believe it's the last sentence. They can't be parties to the action, connected in business with, or related by blood or marriage within the sixth degree to any such party.

MS. MEISNER: And, Your Honor, he was in the first degree because he routinely and on an ongoing basis does work for the bank. The bank was a party, the Plaintiff party.

THE COURT: So you're saying his appraisal isn't valid.

MS. MEISNER: That's right. Pursuant to the statute, it was not valid, and that was the argument that we were going to make on November 6. And not only that...

THE COURT: Did you deposit any funds with the clerk of court --

MS. MEISNER: Yes, sir.

THE COURT: -- to pay the costs of -- how much did you deposit?

MS. MEISNER: The what, now?

THE COURT: The first sentence of -- this is what Mr. Foerster just handed me. In the section styled

Order for Appraisal, it says, Upon the filing of such petition and deposit with the clerk of a sufficient sum to pay the costs of the subsequent proceedings he shall issue an order that the property be appraised at its true value as of the date of sale by three disinterested individuals who must be state-certified general real estate appraisers as defined in state law.

MS. MEISNER: Okay. This law was changed from the time that it was there, and there was no such requirement of depositing funds. The only thing that we were to do, the application for appraisal -- what is the -- this is -- when was this changed? This was changed in 2016, Your Honor.

THE COURT: Well, wait a minute. When did you --

MS. MEISNER: This was in 2012.

MR. FOERSTER: It says, Effective May 17, 2016. It looks like the last -- the history, it says it was last changed in 1996.

THE COURT: Okay. What's --

MS. MEISNER: There was -- I followed the statute completely.

THE COURT: Okay.

MS. MEISNER: So with regard to deposit with the clerk of a sufficient sum -- the cost of -- see,

this is a different statute number, Your Honor. It's the 700, the order for appraisal. That's after we made the application. I did the application for appraisal.

THE COURT: And there is no --

MS. MEISNER: In the interim of that, in the interim of the appraisers coming back, Ms. Stomski represented to the Court the mortgage was -- the value of the property was the mortgage amount. We accepted that as her valuation --

THE COURT: You've said that over and over again.

Mr. Foerster, are you willing to have another appraisal done by someone who's disinterested?

MR. FOERSTER: We believe this appraiser is disinterested, Your Honor. This is the hearing on the appraisal rights. She needs -- the burden is on her to show why this appraiser is biased in any shape or form, does not comply with the statute.

THE COURT: I understand he did work for the bank.

MR. FOERSTER: Well, where is that evidence?

MS. MEISNER: I can testify to that because he told me directly, so I can call myself as a witness and testify.

MR. FOERSTER: And that's all hearsay. Where

is the evidence?

MS. MEISNER: That's direct information from the conversation with him.

THE COURT: What's the appraiser's name?

MR. FOERSTER: It's Eugene Garvin, Jr.

MS. MEISNER: He's got a phone number. Maybe you could call him.

THE COURT: How do you spell his last name?

MR. FOERSTER: I'm sorry. G-A-R-V-I-N.

THE COURT: Okay.

And what's your appraiser's name, Ms. Meisner?

MS. MEISNER: I have to look it up. Hold on. Let me find it.

MR. FOERSTER: There's nothing in the statute saying that the appraiser is biased if he's done work for that client before. It says he can't be employee or director of that company.

THE COURT: I think what that means as far as being disinterested is that he's not going to profit by what he concludes as far as the appraisal is concerned. He's not in the real estate business. He's not owner of the property. He's not a party to the action. But anyhow --

MR. FOERSTER: Your Honor, I would just note that my appraiser has -- under the USPAP -- and these

are the courts -- they have to give certain certifications. Okay?

THE COURT: Right.

MS. MEISNER: Number 17 says, I have no present or prospective interest in the property that's the subject of this report. I have no present or prospective interest or bias with respect to the participants in the transaction.

In Number 18, he says, My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event.

So he certified this, and he signed it. I would like to offer both of these appraisals into the record this morning.

THE COURT: Well, actually, what I was going to do is basically let the appraisal process go forward and then have the appraisers get together, and if they can't reach an agreement, I'll have to appoint an appraiser myself.

MS. MEISNER: Well, Your Honor, at this juncture, I feel like we've already accepted --

THE COURT: No. I didn't reach --

MS. MEISNER: -- their valuation by the mortgage. I've already paid for two appraisals for those properties. I think it would be highly prejudicial for them to comply with the appraisal statute and then request for me to pay for two more appraisals on property four years into this when they've already admitted in open court that their valuation should be the amount of the mortgage. So I would --

THE COURT: I don't think you're going to agree with anything I rule today because --

MS. MEISNER: Well, Your Honor, no. I'm not saying that I won't agree with anything, but I just don't understand how a party can change their position so many times in the course of proceedings and not be held accountable for their position.

THE COURT: So what do you propose me to do? What do you want me to do to the Plaintiff? You want me to order that there's no deficiency judgment.

MS. MEISNER: Well, I would like to be heard on the personal deficiency because they've never proved those in trial. They never proved the capacity --

THE COURT: So you never signed as a guarantor

for either of those loans.

MS. MEISNER: I did sign as a guarantor, but that was not proven at trial that it was for me, personally. I'm not going to stand before you and say that it's not because I would be committing a fraud in your court right now.

But the problem is the Plaintiff is required to prove their case, and they did not prove the case with regard to capacity during the hearing. The only thing that Ms. Wolfson testified to was that I signed it and that the page of the guaranty said, For Sand Dollar 31, LLC. There was no individual capacity, personal capacity.

Now, that's not the case. I did sign it, and I knew what they were saying, but the fact of the matter is, they never got testimony on it and they never have anything submitted into evidence at the trial that that was the case.

THE COURT: And you never testified to that --

MS. MEISNER: No, sir.

THE COURT: -- effect at the trial?

MS. MEISNER: No, sir. And --

THE COURT: So you're saying -- I'm sorry. Go ahead.

MS. MEISNER: I apologize, Your Honor.

Actually, I can read you exactly what I testified to. And of course, you know, when this is going on, this is a very stressful and upsetting process.

THE COURT: Before you start reading, what you basically just said was, what they said is true, but they couldn't prove it, is what you're saying --

MS. MEISNER: They did not prove it at the trial.

THE COURT: -- on the personal guaranty.

They didn't prove it, but you're -- why would they -- well, I don't know if they served a request for admission or not, but why would they have to go to court to prove something that is not in dispute? You said yourself just now that you signed the document. Why would they have to prove that now?

MS. MEISNER: Well, because, as part of our counterclaim, which was both defensive and affirmative, we asked for a declaratory judgment as to the amounts of the deficiency for each party pursuant to the appraisal statutes.

And also, the other thing that happens in this sort of foreclosure is the bank basically, as Ms. Stomski had accused me of doing, is double dipping because they get a judgment against the company and they

get a judgment against the individual. However, both of those judgments are -- they can collect on both of those.

So that needs to be partitioned out, either me personally or the company. They can't just get a judgment for the full amount and to that end, with regard to the guaranties, the judgment amounts that were entered prior to the sale were in excess of the guaranty agreements.

So there were basically judgments entered that were in excess of the guaranty agreements and in excess of what the bank argued the property was worth.

THE COURT: Well, this is what I'm going to rule as far as the appraisal statutes. We have two appraisals that are done. Those appraisers need to get together, and if they can't agree on what the deficiency judgment should be, then I'll have to get involved again.

So if you have a problem, you need to call me to petition the Court for further relief, but as far as the appraisal statutes, again, the appraisers need to get together and decide on those. I know you anticipated when I signed the order it might change, but that remains to be seen.

And again, Ms. Meisner, you can certainly

appeal if the appraisal comes out different than what you would be satisfied with.

MS. MEISNER: And to clarify, Your Honor, I am saying that from our standpoint, we accepted the appraisal that the bank put forward.

THE COURT: I understand.

MS. MEISNER: And their evaluation is the mortgage amount.

THE COURT: You accepted the appraisal that basically would leave you with no deficiency judgment.

MS. MEISNER: Well, I accepted the appraisal that the --

THE COURT: I understand. That's the result. I understand. I understand.

MS. MEISNER: And -- let's see. What else?

Oh. Your Honor, the other thing about the attorneys' -- are we moving on to attorneys' fees?

THE COURT: Yes. That -- I'm sorry.

Mr. Foerster?

MR. FOERSTER: Can I get some guidance? Because I imagine you want this in the order about -- do we want to give the appraisers a deadline for the return?

THE COURT: Well, they've already finished their appraisals, right? They've done that.

MS. MEISNER: We've accepted as our valuation your -- that the mortgage amount is the amount of the appraisal. So the dispute is between your appraiser and the mortgage --

THE COURT: That's what your appraiser found?

MS. MEISNER: That's what they --

MR. FOERSTER: No. She's still arguing the judicial estoppel issue, Your Honor. But my understanding, Your Honor, is you want us to get together with our respective appraisers.

THE COURT: Or have the appraisers get together. I mean, you all don't have to even go, I don't think. They just have to decide on a valuation for the property.

Ms. Meisner, I understand where you're coming from completely.

MS. MEISNER: Well, and, Your Honor, again, we've already disqualified his appraisal pursuant to the statute.

THE COURT: I don't agree with that. After hearing him read the certification, I don't agree with that.

MS. MEISNER: Well, okay. So you're agreeing that your --

THE COURT: I'm ordering that the appraisers

get together and come up with a valuation. If they can't agree, then I have to get involved again. Petition the Court to say, Appraisers can't agree. Judge, you have to appoint your own appraiser and see what we can see.

MR. FOERSTER: Would you like the appraisers to submit a letter to Your Honor once they have met?

THE COURT: No. They have to communicate with you all, and you all can communicate with the Court.

MR. FOERSTER: Okay.

THE COURT: But attorneys' fees. Now, do you have a copy of your most recent attorneys' fee affidavit, Mr. Foerster?

MR. FOERSTER: Yes, I do, Your Honor.

One last thing on the appraisal side. I'm sorry. I keep --

THE COURT: That's all right. Go ahead.

MR. FOERSTER: I just want to make it known, just for Ms. Meisner, that she understands that Â§ 29-3-720 says that the appraisal value needs to be as of the date of the sale. Okay?

So the deficiency sale in this case was in July 2012, so I don't want her appraiser to come back and say, Here's what it's worth in 2017, because that's going to be a lot different than what it was worth in

2012. Our appraisal is as of the time of the sale.

So I just want to make sure that's clear and on the record, that that's the value that's to be considered in these cases.

THE COURT: All right.

Ms. Meisner.

MS. MEISNER: Well, again, Your Honor, it gets back to the bank has a very squishy way of appraising properties. They appraise it at 72,000 to give you a loan. Then they come to the Court and say, No. No. No. We're only going to appraise it at 25 and 10,000. And then they argue to vacate the sale and submit again their original assessment of the mortgage amount of the value. And I just think that in the court of equity, that inequitable.

And I know that you say that they withdrew their motion, but I don't believe that they can withdraw their argument for valuation based on the supreme course that I cited, the Sanders case. The same thing happened there, where they had prices, valuations, all the way from 500 to 900. And so I'm just continuing to voice my objection to that.

THE COURT: Okay.

MS. MEISNER: But that said, you're saying that you want the appraisers to get together and come up

with a valuation.

THE COURT: Yes.

MS. MEISNER: And you're saying to use the appraiser that we brought before the Court as disqualified because he currently works for the bank and had had a continuous relationship with the bank.

MR. FOERSTER: He's never been disqualified.

THE COURT: That's what her position is, that he shouldn't...

MS. MEISNER: I think, probably, I need to get into evidence that he told me that he routinely works for the bank.

THE COURT: You made that representation. It's on the record.

MS. MEISNER: Do I need to be sworn in because I was not sworn before and I'm a pro se defendant?

THE COURT: Well, are you telling the truth?

MS. MEISNER: Yes.

THE COURT: Okay. That's all we need.

MR. FOERSTER: And my objection is hearsay, of course.

THE COURT: Yes. Of course. Yes.

With regard to attorneys' fees --

MS. MEISNER: It was a direct conversation.

THE COURT: Ma'am? I'm sorry.

MS. MEISNER: I was just saying to Mr. Foerster, it was a direct conversation. I can, you know, speak to the truth in the matter based on the conversation that he does.

Okay. For -- I'm discombobulated.

THE COURT: Okay. We're going to talk about the attorneys' fees, and then we're going to go home, I think, or at least leave here, and maybe we can go to lunch or something. But attorneys' fees.

Now, Mr. Foerster, your attorneys' fees are based on the contract, the original mortgage, I guess.

MR. FOERSTER: Yes. And I have copies of what I submitted to you. I only have one copy, so this is it. I'll give it to you.

THE COURT: I'll hand it back to you in a minute.

MR. FOERSTER: I've shown it -- there were two affidavits I submitted at the hearing in July for Your Honor's consideration. She filed objections to these a few weeks later.

These are what I showed you this morning.

MS. MEISNER: And I tried -- these were not submitted on the -- I tried to get them -- print these off. They're not showing up as documents that were filed with the court.

Do you have a stamp on them?

MR. FOERSTER: This is what I handed to the Court at the last hearing.

MS. MEISNER: But you didn't file it with the court as far as getting a stamped copy.

MR. FOERSTER: I handed it to the Court.

THE COURT: Yeah. It may not be in there.

MS. MEISNER: There's no stamp on this.

MR. FOERSTER: These were submitted into evidence.

THE COURT: This is the one on November 23, 2016.

MR. FOERSTER: Is that the hearing date?

THE COURT: It says --

MS. MEISNER: You said it was in July.

MR. FOERSTER: I thought it was July.

THE COURT: Well, no. The reason -- let's see who -- it's in the record. It's in the file.

MR. FOERSTER: Yeah. I thought the hearing was in July, but yeah. I think something must have been filed in November.

THE COURT: Yeah, because -- yeah. It's an affidavit of attorneys' fees, and it was clocked in at the clerk of court's office on November 23, 2016.

MS. MEISNER: Is that when the hearing was?

THE COURT: I'd have to go back and check. I don't know.

MR. FOERSTER: The hearing was in July, I think.

MS. MEISNER: So nothing was submitted before.

So my objection to the attorneys' fees is threefold. First of all, I don't think that they followed the -- I'm sorry --

THE COURT: That's all right.

MS. MEISNER: -- the Jackson v. Speed -- well, I was going to give you the dates on that --

THE COURT: Sure.

MS. MEISNER: -- criteria based on the fact that they -- a significant amount of the fees occurred after the foreclosure.

And secondarily, some of the fees involved the motion to vacate the sale, which was withdrawn. And that was prejudicial to me since they can't use the arguments that they were originally arguing and they put a lis pendens on the property, which they left.

And this is -- you know, many of these were on the motion to vacate the sale in addition to the other objections that I had.

THE COURT: Can I look at it, please?

MS. MEISNER: Yes, sir.

THE COURT: Thank you.

MR. FOERSTER: If I may approach.

THE COURT: Yes, sir.

MS. MEISNER: I just want to see one thing.

The other thing is, the affidavit is a sworn affidavit from April, and the fees extend beyond April.

MR. FOERSTER: Your Honor, here's what I've done. I submitted two affidavits, two for each case, last summer at the hearing. One is an affidavit from Teri Stomski about her work done as of the time of the original foreclosure hearing.

THE COURT: Right.

MR. FOERSTER: The second affidavit is from me as a business records custodian, whereby I'm certifying that the attached billing records for these two cases that are attached to my affidavit are true and accurate copies and kept in the ordinary business of my law firm and how they were made and generated and prepared.

THE COURT: Are these your only copies?

MR. FOERSTER: Those are the only copies I brought today since I submitted them last time.

THE COURT: Do you need to make copies, or do you want to send them back to me by email?

MR. FOERSTER: I've got that back on my computer system.

THE COURT: That's fine.

MR. FOERSTER: I've got those saved.

And the purpose of me submitting these affidavits is to show that for Civil Action 6317 -- we'll start with that one -- the Court awarded $6,000. Okay? The court of appeals remanded so that we could support that figure.

THE COURT: Right.

MR. FOERSTER: What these affidavits show is that our fees through the date of the deficiency sale were $6,852.25. Our fees through the start of her appeal were $16,000.

So I think -- we're not asking for Your Honor to open up that award and increase it. We're just asking Your Honor to validate the original $6,000 award. And I think these affidavits show that the fees far exceeded that amount originally awarded. So I think it was a reasonable and appropriate amount to award, Your Honor, in that case.

Same thing for Civil Action 6318. The Court awarded $8,000 in attorneys' fees in that case. And what these affidavits show in that case is that our fees through the date of the deficiency sale were $9,130.25. Through the start of her appeal, it was $18,000 because there were lots of post-judgment motions and activity

going on in these cases. And so I think in light of all this litigation and how contested these cases were, $8,000 was more than reasonable, Your Honor. So I believe that those affidavits sufficiently support the Court's award.

In response to her objections to these affidavits, she complains that the affidavits weren't served more than two days before the hearing in compliance with Rule 6(d). That's the rule she relies on.

However, Rule 6(d) is only applicable to affidavits in support of motions. We weren't here on a motion that day. We were here because the court of appeals told us to come back and have a hearing to talk about whether the attorneys' fees originally awarded by the Court were reasonable or not. So I don't think 6(d) is applicable at all in this case.

And I think that adequately addresses that, but even aside, her objections are amounting to the affidavit themselves. Your Honor, I mean, Your Honor's decision doesn't have to be based on just the affidavits. It can be based on the law, the lodestar factors. The Court goes through these factors set out in certain cases, such as Dedes v. Strickland, to determine whether attorneys' fees are reasonable. And I

think under those factors, the attorneys' fees are certainly reasonable, with or without these affidavits.

THE COURT: Okay.

MR. FOERSTER: Well, Your Honor, I have to start with saying that the court of appeals disagreed because they had to -- they said that you actually have to have evidence to determine what's reasonable in the case. And while I appreciate Mr. Foerster providing these several years later, Ms. Stomski writes or says in the hearing on Wednesday, April 25, which was the foreclosure hearing, on Page 7 --

THE COURT: Which was what year? What year?

MS. MEISNER: 2012, on the foreclosure hearing.

She says, Do you have a verified debt with you?

I think that's in your folder. And, Your Honor, the validation of debt was provided to counsel. It was notarized on the 18th, and it was provided yesterday. I was speaking at two separate functions and had hearings in Charleston, but I provided it to him as quickly as I could.

And so she goes on to say about the attorneys' fees and the amount that they are asking for. And the amount that they were asking for was $40,000 on this

particular thing, on this particular loan.

But again, at this hearing -- this was the foreclosure hearing. Everybody has said that the Defendant, Sand Dollar or Rhonda Meisner, can't bring up new things in the Rule 59(e). At this hearing, they did not prove the capacity of the guaranty agreement, whether it was written as a member of the LLC or as an individual.

THE COURT: Are you saying that you're not the guarantor?

MS. MEISNER: No, sir. What I'm saying is that they did not prove their case against me personally at that hearing.

THE COURT: Okay.

MS. MEISNER: And the document itself does not prove it. I'm not standing before you saying that I didn't sign that as a personal guaranty. What I'm saying is that they never had evidence or testimony of the capacity of me as an individual or a member. And the document itself says Sand Dollar 31 on there, and my signature is on there.

The only testimony to the capacity was, it says, Okay. I recognize this document as a guaranty agreement.

All right. And who is the guarantor stated on

that?

Rhonda Meisner.

And did she, in fact, sign it?

She did.

All right.

That's the only testimony. There's nothing about, Did she sign it as a member of Sand Dollar, LLC? Did she sign it in her individual capacity? What did her name mean? Because it says on there, Sand Dollar, the guaranty.

So I'm bringing that up. I don't believe that they proved, looking at the testimony from the trial and looking at the documents themselves, the capacity at which the guaranty was signed. So I would like a ruling on that.

MR. FOERSTER: Your Honor, there's been a ruling on that. Your Honor was satisfied that we had proved all the elements of her capacity as a guarantor because it entered final judgments in both cases. Okay? And the court of appeals has affirmed those judgments. So that issue -- she's trying to relitigate an already-adjudicated issue.

MS. MEISNER: And Your Honor, again, we've submitted affidavits that after -- the judgments were to changed based on the appraisal statute, which is a

statutory right to get the appraisals, their representations of the value of the property.

In fact, you ordered a status conference, and the order was signed in August, I believe, for everyone there. And if there was any liquidated damages, they were supposed to prove those on November 6.

They did not bring a court reporter to the November 6 hearing, so there was no one there to record what happened at that hearing, but it is my recollection at that hearing, and Rick Gleissner, an attorney for South Carolina Operating Room Equipment submitted an affidavit as an attorney and as an officer of the court, that the items before Your Honor, which was the appraisal statute, the motion to vacate the sale, and the final deficiency, were left open for -- further.

Mr. Bowens was at that hearing.

Is that your recollection of the hearing?

MR. BOWENS: (Nodding head.)

MS. MEISNER: Can you speak up and say it on the record?

MR. BOWENS: Yes. Those things were left open as far as I recall, Your Honor.

MS. MEISNER: So I'm not relitigating everything. I think because of the bank's position and the way that they did things, it was an abuse of the

process.

THE COURT: Okay.

I'm going to take the attorneys' fee issue under advisement, I'm going to review the affidavits, and when I make a decision, I'll ask you to get an order.

Anything else today?

MS. MEISNER: Your Honor, could we come back briefly after a little break so that I can speak with Glenn to make sure that I did not forget anything that was brought up, maybe just a 15-minute break? Could we possibly do that?

THE COURT: Now, Mr. Bowens, you're not representing --

MR. BOWENS: No.

THE COURT: Are you representing the company?

MR. BOWENS: I'm representing -- I was representing both Ms. Meisner and the company at the foreclosure hearings. Then, when the case was appealed, I requested to be relieved, and the court of appeals relieved me.

Ms. Meisner thought I was still on the case for the companies, so I've been coming to these hearings. But no. I just represent the companies, if anybody.

MS. MEISNER: The only appellant was Rhonda Meisner for the attorneys' fees and so forth.

MR. BOWENS: The issues you outlined this morning were the issues I understood we were here for today.

THE COURT: Right. Right.

MR. BOWENS: I think they've been addressed.

MR. FOERSTER: Your Honor, I love it if we could get on the record exactly when Mr. Bowens was relieved as counsel for Ms. Meisner --

MS. MEISNER: Well, actually --

MR. FOERSTER: -- by an order, by a court order.

MR. BOWENS: I don't recall the exact date, but it was when we filed the appeal. I requested the court of appeals to relieve me, and they did.

MR. FOERSTER: That would have been after December 2012, maybe in January 2013.

MS. MEISNER: No. That's incorrect.

THE COURT: Okay.

MS. MEISNER: The notice of appeal was filed and so forth, but he was relieved from the case as far as the appellate proceedings because Sand Dollar was not going to appeal.

THE COURT: Okay. Let --

MR. FOERSTER: The only reason this is important, Your Honor, is because when she was talking about it being whether she was served or not with the orders of deficiency in August 2012, she said, I was not personally served.

She was represented by counsel at that time, so she was not entitled to be personally served.

MS. MEISNER: Well --

MR. FOERSTER: He had not been relieved by any court order at that time.

THE COURT: Was he served, though? Was Mr. Bowens served?

MR. FOERSTER: We'll find that out. We would need to ask him.

THE COURT: Let's do this. Instead of taking another break now, if you have something you want to submit to supplement your presentation here today, I'll accept it. How much time do you need? Today is Wednesday.

MS. MEISNER: Well, the only problem is, is I would like, while the court reporter is here, to get everything on one record and have it in one place. If we could just take maybe a brief -- come back at, maybe, 12:15, if that's possible, since we've set aside the whole day for this.

THE COURT: Yeah. And I apologize to all the parties.

I kind of lost control of the courtroom because everything I say, you want to do something different, and I've said, Okay. And so now, we'll take a break until 12:15.

MS. MEISNER: Well, I apologize, Your Honor.

THE COURT: Oh. No. I understand. If you want to take a break, I'll try to accommodate you.

So we'll stand --

MS. MEISNER: I just want to make sure that we get all the rulings necessary because this was a very complicated case, and Mr. Foerster's come in at a time after the original motions hearings and things like that were made, and I want to make sure that I've got rulings on everything because I just think that it's been inequitable the way that things have gone.

THE COURT: Been inequitable? Okay. Well, that's a personal --

MS. MEISNER: From the bank's standpoint. That's my personal opinion.

THE COURT: Yeah. Okay. Well -- I was about to say something, but I reacted. When you say inequitable, it sounds like you're attacking me. So --

MS. MEISNER: No, sir. I apologize for

that --

THE COURT: That's all right.

MS. MEISNER: -- if that was inferred. I just...

THE COURT: Okay.

I remember what I was going to say. I was going to say, this is still an unusual scenario because normally, when people come through and go through foreclosure, they don't come back later as the owners of the property and --

MS. MEISNER: But Your Honor, I'm not in front of the Court as the owner of the property. South Carolina Operating Room Equipment owns the property.

THE COURT: But that --

MS. MEISNER: And because I own South Carolina Operating Room Equipment, I have not violated the appraisal statute. I have not violated the bidding process. I've done everything that I'm supposed to do to protect my rights.

However, the bank has come to you and said that they have a valuation for these properties that is the amount of the mortgage. They gave a loan on it. They've asked for foreclosure on it. And then they're like, Whoops.

We went to the bid just like this Sanders case

that the supreme court ruled on that the bank was not able to set aside that sale. They withdrew their motion, but their argument remains. They have argued to you that a fair value is the amount of the mortgage. When we accepted that offer, they withdrew the motion. That doesn't withdraw the argument before a court of equity, in my opinion. I mean --

THE COURT: Now, when you say court of equity, what do you mean?

MS. MEISNER: Well, Your Honor, it's inequitable, in my opinion, for the bank to come to you and say, We want a foreclosure on these properties, and we've loaned her the amounts $31,000 and $36,000, so we've loaned her that money. We want foreclosure on that amount.

And then they bid less than that. Then they come back to you and say, We want to vacate those sales because we -- because she bought it for a dollar more than we paid.

How is it right for the bank to pay for those properties and get the benefit of the sale from a third party, but then I'm still held accountable for the other things? I had to take a loan from family members to buy that, because otherwise, I would have been responsible for the 25,000, the 15,000, and whatever else was out

there.

So then they come to you and say the mortgage amount is the correct amount.

THE COURT: All right. Well, we'll stand at ease until 12:15 so see if you left anything out.

MS. MEISNER: Okay. Thank you, Your Honor.

(A recess transpired.)

THE COURT: Okay. Ms. Meisner.

MR. BOWENS: Just for the record, I wanted to, on behalf of Sand Dollar, adopt the arguments advanced for Ms. Meisner today.

THE COURT: Okay. Thank you.

Ms. Meisner.

MS. MEISNER: Yes, sir. Going back over the questions of adjudication.

And Sean, you said the date of the deficiency was entered when?

MR. FOERSTER: The order copy I have is August 8, 2012.

MS. MEISNER: Okay.

The hearing in -- that's 2012. The hearing on July 18, 2012 was a motion to alter and amend the ruling from before. During that hearing, the issue of the guaranty agreement was brought up, and Your Honor instructed Mr. Bowens to file a memorandum -- Your Honor

instructed both sides to file a memorandum related to the guaranty agreement, which has never been ruled on. That declaratory judgment action has never been ruled on. Mr. Bowens submitted the memorandum on August 10 regarding the responsibility of the guarantors.

Now, Mr. Foerster said that the deficiency judgment that was entered by Your Honor was on August 8. However, in your order on July 18, you requested them to flesh out the issues of the guaranty agreement. And this was your ruling, Your Honor. It said, The Court -- and, Your Honor, just so I'm clear -- I'll start with Stomski.

And, Your Honor, just so I'm clear, you said you want me to draft an order denying the Defendant's motion to alter and amend. Is that correct?

Exactly. In both cases. That's right.

Ms. Stomski: Okay.

Then The Court, after you said, Draft that: A brief, non-argumentative order, and then, you all please brief that other issue, the issue of whether the guaranty agreement is limited.

So that issue was never ruled on on the Rule 59(e) motion.

MR. BOWENS: Your Honor, if I could just interject briefly.

THE COURT: Yes.

MR. BOWENS: One of the counterclaims that was filed initially was a request for a declaratory judgment on that guaranty agreement, and then, on July 18, 2012, you instructed us to brief that issue so you could rule on that. I don't think that was ever ruled upon.

THE COURT: Okay.

MR. FOERSTER: Your Honor, it absolutely was ruled upon. Your Honor entered judgments against her personally, finding her personally liable under these guaranty agreements in the original foreclosure judgments.

Your Honor entered an order denying her 59(e) motions in both cases on November 6, 2012. She then appealed in December 2012. So that issue has been adjudicated. And so it is now res judicata in this case. There's judgments against her personally. So that issue has been decided.

THE COURT: Okay.

MR. FOERSTER: I don't understand how they think it could be left open when there's been final orders in this case. Those orders were appealed and affirmed.

MS. MEISNER: Well, Your Honor, the main thing is the service. I mean, I've never been served the

deficiency notice. And Mr. Bowens does not recall and says that he would have notified me if there was some service.

We received the original deficiency notice, which was in April before the hearing, before the appraisal statute, before the motion to vacate, all of those other arguments and reasons, but we, you know, have not been served that information.

Secondarily, at the motion to -- at the hearing, you said, Draft an order on the 59(e), and then, you all, please brief that other issue --

THE COURT: Right.

MS. MEISNER: -- on the guaranty agreement. So that was outside the scope of the 59(e) motion that was handled.

Now, even if -- arguably, even if an order was placed in, that would be highly prejudicial when a motion for the appraisal statute was placed on the 31st and the deficiency order was signed on the 8th with no acknowledgment of that deficiency statute. And so that figure was going to change regardless, once the appraisals came back.

And then, again, we get back into the arguments for the valuation of the property, which the bank argued.

The other thing -- so we do need a ruling on the declaratory judgment regarding the guaranty agreement because the two guaranties were for 31,000 and 36,000, and the amounts entered into the public record were -- what did you say? 40-something or 50-something?

THE COURT: Now, Ms. Meisner, you said in court that you did sign them, right?

MS. MEISNER: Did sign what?

THE COURT: The guaranties.

MS. MEISNER: I am admitting today to you that I signed those guaranty agreements. Absolutely. What I am saying to you is that on April 25, the bank did not prove the capacity at which I'd signed those because they took no testimony regarding the capacity, and the documents themselves don't recognize that.

THE COURT: What's your position on that, so we'll have it clear for the record? Your position is that you signed as a guarantor but you didn't really --

MS. MEISNER: My position is --

THE COURT: -- you weren't obligated to -- go ahead. I'm sorry.

MS. MEISNER: No. I know you're frustrated. I'm frustrated.

THE COURT: I'm not frustrated. I'm just scratching my head. But go ahead. Go ahead.

MS. MEISNER: Well, I'm not going to stand in front of you and misrepresent something, but the fact of the matter is, the Plaintiffs never proved the capacity at which the guaranties were signed, and the only document -- the only name on the document other than me signing said, Sand Dollar 31, LLC.

THE COURT: Okay. Now, what --

MS. MEISNER: And that was a review retroactively.

THE COURT: All right.

MS. MEISNER: So I didn't make any representations during that hearing. They took no testimony about the guaranty agreement. So, to clarify, I'm telling you that, yes, today, I signed as a personal guaranty.

THE COURT: All right. Now, in what capacity did you sign? What's your position on that?

MS. MEISNER: It was -- I signed as a personal guaranty. That's what I'm telling you today. But in April, they never proved their case that there was a personal guaranty against me.

And the other part of the guaranty agreement itself is that I'm only responsible for the amounts loaned, not the additional attorneys' fees. And we looked at the -- we did a very detailed analysis of the

guaranty agreement itself.

There were two boxes for the checking of the guaranty agreement. And it said if box A is checked, then you're liable for everything, attorneys' fees, costs, et cetera. If box B is checked, then you're liable for the $31,140 and the $36,000, respectively, on the two properties.

It is my position and argument that those are the amounts that I guarantied and that those amounts have to be reduced by the amount that the bank collected from the sale. So they can't say that the amount they collected from the sale was for the attorneys' fees and the costs and things like that against me, personally, if -- and so the amount that I, personally, would be responsible for is the 31,000 minus the -- whatever the sales price should be credited to that guaranty amount.

THE COURT: Have you offered to pay that amount?

MS. MEISNER: Oh. I offered to try to settle this years ago. They refused. And in fact, in your attorney fee affidavit, there were discussions about a settlement with Mr. Gleissner, the attorney that was representing South Carolina Operating Room Equipment because he said that -- and I don't want to give up any attorney-client privilege at this point, but he said

that he had a relationship with the bank and could negotiate things.

We put in an offer, and their response was that they wanted the entire amount of the deficiency. They did not negotiate.

THE COURT: All right.

Anything else today?

MS. MEISNER: Let me check one more thing on my notes.

So the order for the appraisal statute is you want the appraisers to get together and submit a valuation for you and that --

THE COURT: They need to get together and agree, and if they can't agree, then you get me involved again.

MS. MEISNER: Okay.

And then the -- you denied the argument for judicial estoppel, that the bank is not estopped from valuing the property less than they argued in their motion to vacate the sale.

THE COURT: Yes, ma'am.

MS. MEISNER: And I guess we need a ruling on the declaratory judgment for the guaranty agreement and the responsibility of the parties such that the deficiency for each party is actually set out

individually and separately. I don't -- I mean, I don't think that it's proper to have a judgment against both entities when there's a guaranty agreement that is limited to the amounts.

THE COURT: Do you want another ruling on that? You say you never got a ruling, but I did rule, and it was appealed. But do you want another ruling on that?

MS. MEISNER: Well, Your Honor, I --

THE COURT: I can. I don't mind. But my ruling is not going to change.

MS. MEISNER: Yes, sir. I understand.

Yes, because it was our interpretation that you asked the issue to be briefed, and those briefs were submitted after your --

THE COURT: After I ruled?

MS. MEISNER: Yes, sir, after you ruled.

THE COURT: So I made a mistake is what you're saying.

MS. MEISNER: Your Honor, I -- that's not for me to say. I'm not saying anybody made a mistake. I think the mistake is that this didn't get resolved multiple years ago without a foreclosure. But, you know, that's not where we are today.

THE COURT: All right.

Anything else today?

MR. FOERSTER: I just want to make sure that that resolves all the outstanding -- and the only reason we would come back for another hearing in this case is if the appraisers can't agree.

THE COURT: Exactly.

MR. FOERSTER: Okay. But Your Honor is going to just rule by email or via correspondence on the attorneys' fees issue.

THE COURT: I'm going to take it under advisement. I may ask you to write an order. I'm going to just look at it, read it, and, you know.

MR. FOERSTER: But there's no further hearings necessary on that issue now.

THE COURT: I don't think so, but who knows? If something else comes up. For example, are you going to bill them for today's activity? That type of thing.

MR. FOERSTER: Yeah. Yeah.

THE COURT: All right.

MR. FOERSTER: And as of right now, we're just seeking to affirm the amounts previously awarded, but if this case keeps going on and she appeals more orders and files more motions, we reserve the right to seek more attorneys' fees.

MS. MEISNER: Your Honor, I did think of

something else. I just wanted to make sure that your rule was that you were not going to allow amendments for abuse of process, and just wanted to cite Crestwood Golf Club, Incorporated v. Potter, and Pruitt v. Bowers. And this rule strongly favors amendments, and the Court's encouraged to freely grant leave to amend.

THE COURT: Do either of those cases involve amendments made post judgment?

MS. MEISNER: There is a post-judgment case, and I do not have it in my notes that I wrote, that said that if the Court retains jurisdiction, that it's still your baby.

THE COURT: But do they have to -- do you have to win? I mean, the judge ruled against you. I ruled against you earlier today.

MS. MEISNER: Yes, sir, you did.

THE COURT: You want to make that clear. I don't know why we are revisiting it now, but I ruled -- I denied your motion to amend the counterclaims.

MS. MEISNER: Yes, sir. And I just wanted to be clear that you still maintain jurisdiction, and that's still -- that it has not been fully adjudicated because even though an order was entered for deficiency, that was prior to the other -- the November 6 hearing where the Court kept everything open.

And then -- there was one other thing. Oh. And at that November 6 hearing -- Mr. Gleissner's not here, but he did ask for sanctions pursuant to Rule 11 for filing a frivolous suit by the bank for the motion to vacate because they knew that there was no legal or justified reason to vacate the sale.

THE COURT: Okay.

MS. MEISNER: And they did subsequently, a year and a half later, remove the lis pendens when, you know, we were going to counter -- when we were going to say that we were going to have to file a separate lawsuit outside of this one.

With regard to the amendment, I feel like the abuse of process is a compulsory counterclaim because it did have the common nexus of events in this proceeding, and I do feel like the bank has acted inequitably in these proceedings by filing the motion to vacate and then withdrawing it and so forth. And so I'll just ask Your Honor for a ruling on that as well.

THE COURT: I denied your motion. I'm confused now. What did I not rule on?

MS. MEISNER: The Rule 11 sanctions for the bank filing a frivolous motion. That was -- there was -- we don't have any evidence or testimony from the November 6 hearing.

However, Mr. Gleissner did bring that up to Your Honor as a means of -- I had to pay Mr. Gleissner additional attorneys' fees that were unnecessary for the motion to vacate the sale, the hearing before Your Honor. I paid him $3,000 in attorneys' fees, which was outside of the initial contract and negotiated fees.

THE COURT: Okay. So you want sanctions --

MR. FOERSTER: Mr. Gleissner's not here.

THE COURT: Yeah. I was going to --

MR. FOERSTER: He's not asking for this relief. That's a completely -- that's not even a party to this action. That was SCORE, LLC.

THE COURT: Well, no. No. In fact, we probably need a hearing on that, on the Rule 11. I didn't pick up that there was anything to be sanctioned, but if you all will reduce that information to writing, send me a letter, we'll get Mr. Gleissner involved and we'll set up another hearing on sanctions against the Plaintiff, right?

MS. MEISNER: But again, Your Honor, this brings back to the -- it's part and parcel to my argument for amending the counterclaims because --

THE COURT: I know. I ruled several times. I denied the motion.

MS. MEISNER: Yes, sir. I understand that.

THE COURT: And you kept arguing and arguing all morning on that same issue --

MS. MEISNER: Yes, sir.

THE COURT: -- even though I'd already ruled more than once. I think I understand your position pretty well by now.

MS. MEISNER: Yes, sir.

THE COURT: So --

MS. MEISNER: And I think I've looked over my notes.

Do you see anything?

MR. BOWENS: (Shaking head.)

THE COURT: Okay. Well, please write me a letter about Mr. Gleissner. In fact, you might want to call him or you all might want to call him just to see if he's prepared to pursue that.

Now, you said he wasn't -- his client wasn't a party to the action anymore, right?

MR. FOERSTER: SCORE, LLC was never a party. That was a third -- that was her, like, LLC that she sent to go bid at the sale, and so she keeps -- she's been claiming all morning that's a completely separate entity and it's not really her, even though she's the member of that LLC. But that's -- yeah. Rick Gleissner represented that entity at some point.

THE COURT: And they made a motion to ask for sanctions? See, I don't remember that.

MR. FOERSTER: I don't remember it either. I'd have to go back and look at my file.

MS. MEISNER: Well --

THE COURT: Do you want sanctions against the bank, against RT&T, against Rogers Townsend & Thomas ,for making a frivolous motion?

MR. FOERSTER: I'm not sure if he actually filed it or he was just threatening us or what, but we withdrew that motion, so to me, that resolved the issue.

MS. MEISNER: Well, I was making the argument, Your Honor, based on the motion to amend the complaint because he's correct. SCORE, LLC is not here any longer.

But Mr. Gleissner did make that comment at the November 6 hearing because of the bank's position and their moving forward with that. He did not file a motion subsequent to that because they did withdraw the motion when he called and said, We're going to have to sue on this.

My problem is, now, they've gotten away with their nefarious things, cost me additional money, and now I can't, you know, amend the complaint to recover some of those issues.

THE COURT: Okay. All right. Send me a letter about the request for sanctions. Copy Mr. Gleissner on it, Mr. Foerster on it, and Mr. Bowens on it, and we'll see if we can take further action.

All right. Thank you very much.

MS. MEISNER: Thank you, Your Honor.

MR. FOERSTER: Your Honor, would it be all right if I, in the order, gave maybe like a 30-day deadline for the appraisers to meet with each other?

THE COURT: Sure. That's fine.

Is that okay?

MS. MEISNER: That's -- I mean, again, our position is that we've accepted your valuation, but I'll have Angela Buckley go there.

THE COURT: All right. Thank you all so much.

MR. FOERSTER: Thank you for your time.

MS. MEISNER: Thank you.

(The hearing was adjourned at 12:35 p.m.)

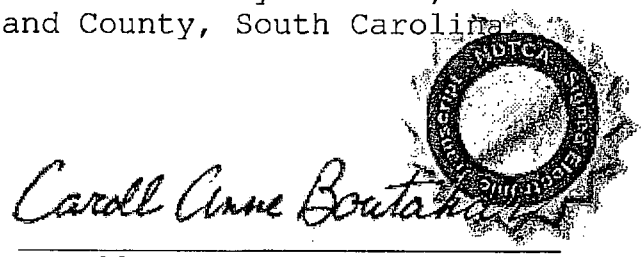
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That the foregoing proceeding was taken before me on the date and at the time and location stated on page 1 of this transcript; that all statements made on the record at the time of the proceeding were recorded by me and were thereafter transcribed; that the foregoing proceeding as typed is a true, accurate, and complete record of the proceeding to the best of my ability.

I further certify that I am neither related to nor counsel for any party to the case pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal this 25th day of June, 2018, at Columbia, Richland County, South Carolina.



Caroll Anne Boutahar
Certified Verbatim Reporter,
Notary Public
South Carolina at Large
My Commission Expires:
December 13, 2021

STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

COUNTY OF RICHLAND

CERTIFIED COPY

SCBT, N.A.,

Plaintiff,

vs.

Case Nos.: 2011-CP-40-06317
and 2011-CP-40-06318

SAND DOLLAR 31, LLC;
RHONDA MEISNER,

Defendants.

H E A R I N G

BEFORE THE HONORABLE JOSEPH M. STRICKLAND

DATE: Thursday, October 5, 2017

TIME: 2:16 p.m.

LOCATION: Richland County Courthouse
1701 Main Street
Columbia, South Carolina

REPORTED BY: CAROLL ANNE BOUTAHAR
Certified Verbatim Reporter

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THE COURT: This is Civil Action Number 2011-CP-40-6317 and also Civil Action Number 2011-CP-40-6318. And my notes indicate this is South Carolina Bank & Trust, N.A. versus Sand Dollar 31, LLC, and others.

I kind of thought these cases were over. The cases have already been litigated to judgment and appealed. Now, how did they get back here? What are we supposed to do?

Yes, sir.

MR. FOERSTER: Yes, Your Honor. Sean Foerster here on behalf of the bank.

Where we are, the judgments were entered in 2012 in both cases. She appealed those judgments, and they went up and back. The Court of Appeals affirmed all aspects of those judgments except for whether the attorneys' fee award in both judgments was reasonable or not. And so it was remanded for a hearing on that sole issue.

We had that remand hearing on July 27, 2016, and Your Honor took the issue of whether the attorneys' fees were reasonable or not as set forth in the judgment under advisement at that time.

We had another hearing on February 1, 2017, after Ms. Meisner filed a motion to amend and to add

counterclaims to her original pleadings in this action and just to deal with all outstanding issues, including her petition for appraisal rights which she had filed prior to the appeal. So we argued that issue. We also reargued the issue of attorneys' fees at that hearing as well.

So one issue outstanding, Your Honor, is just the Court's ruling on whether the attorneys' fees awarded in both judgments -- it was $6,000 in one and $8,000 in another one -- were reasonable or not.

THE COURT: Was your total -- was that before the appeals or after the appeals?

MR. FOERSTER: This is before the appeals. Yes.

THE COURT: So you're not going to add in fees for the appeals and everything else.

MR. FOERSTER: At this point, we're not. It would be a lot more if we were. And even then, the amount -- I submitted and filed affidavits in this case with our billing records, showing that even before the appeal, through the date of the second sale, the deficiency sale, our attorneys' fees were more than the amount awarded in each case.

My argument's been that those are reasonable and the judgments should stay where they are at this

time, Your Honor. So that's one outstanding issue.

Ms. Meisner recently filed a motion to alter or amend this Court's order that it entered this past summer on July 27.

In that order, the Court denied her motion to amend her counterclaims, given the late juncture in this case, and also, it granted her petition for an appraisal of this property for purposes of setting the deficiency and ordered us to start that process and gave our appraisers 30 days to do their work. And they've done it, and by letter recently I submitted what my appraiser gave to me to the Court.

And I think that's the last issue to discuss, is that return of the appraisers. So I believe that's all that's outstanding here today, Your Honor.

THE COURT: What about the motion she made to alter or amend the judgment that was made -- our notes indicate they were made on August 31, 2017 --

MR. FOERSTER: Yes.

THE COURT: -- a little more than a month ago.

MR. FOERSTER: Correct. And she's seeking to overturn that, asking Your Honor to reconsider his order from July 27.

THE COURT: Okay.

And first of all, for your attorneys' fees,

you're not asking for anything beyond the original affidavit.

Ms. Meisner, do you have anything to say about that?

MS. MEISNER: Yes, Your Honor. Thank you very much.

I substantially disagree with Mr. Foerster's kind of explanation of where we are with the case for a couple of reasons, and I think it might be helpful if I may have a brief review of the motions and things filed.

THE COURT: But I was asking specifically about the attorneys' fee affidavit.

MS. MEISNER: Well, the affidavit was filed after judgment, so they weren't filed before, to make the -- the Court of Appeals said, Is this reasonable to have a plaintiff not file the affidavits, go ahead and enter judgment for the sale and not make this available before judgment? It's kind of like, my homework was late, but the next day, bringing it in and saying, Here's my homework.

THE COURT: Well, no. It's kind of like they claim they earned money up until the time of the judgment, and since that time, it's been years that they haven't -- they're not claiming anything else. That's a better analogy, I think.

MS. MEISNER: Well, Your Honor, I understand your analogy, and I would agree to a certain extent. However, these attorneys' fees are based on a contract, and the contract was between Sand Dollar 31, LLC, which was the Defendant in this case.

As a guarantor, the bank has made no representation and given no evidence why, personally, I should be responsible for Sand Dollar's claims, including when they had the witness here to say how that transferred over. And that's part of the thing that we have not adjudicated. We did discuss that at the last hearing, which is part of the motion to alter and amend.

If we could, I think with this --

THE COURT: Hold on a second. I'm dealing with attorneys' fees now before we go any further. I'm going to give you a chance to talk. You're saying it's all intertwined, that the attorney fee issue is related to everything else in the case. Is that what you're saying?

MS. MEISNER: Well, that was an interlocutory appeal that the court of appeals thought was important enough to hear it, so yes, they did look at that.

THE COURT: Okay. An interlocutory appeal, meaning you appealed something that wasn't final. Is that what you're saying?

MS. MEISNER: Yes, sir.

THE COURT: And what was that?

MS. MEISNER: That's why I need to go through the timeline. I know you want to deal with the attorneys' fees, but I think if Your Honor will just give me a chance to go over the time frame, then you'll understand why it was interlocutory.

THE COURT: Okay. So you're saying the attorneys' fees are involved in this. He's not seeking attorneys' fees for anything that happened after judgment, unless I misunderstood.

Mr. Foerster, is that what you're saying?

MR. FOERSTER: Yes. At this point, we'd just ask the Court to confirm the judgments that were entered in 2012 as is.

And I think the court of appeals, when they remanded it, they specifically instructed the Court to hold a remand hearing on this issue so that Plaintiff could support the award with the affidavit, so that's exactly what we did. We supplied an affidavit signed by the attorney who was handling the foreclosure back in 2012 as to her attorneys' fees up until that date.

THE COURT: Who was that?

MR. FOERSTER: Teri Stomski. She's no longer with my firm.

And then I submitted my own affidavit, basically authenticating my firm's business records with itemized statements from our billing software to support the amount that Ms. Stomski had sought and that the Court awarded.

And what my billing records show, which are of record in this case, only redacted for attorney-client privileged information, is that the fees incurred by my client were greater than the amounts that the Court awarded in each case.

So at this point, our position is just to leave the judgments undisturbed.

THE COURT: Okay.

Now, I'll give you a chance, Ms. Meisner. There are two motions to alter or amend judgment, one in each case. You may proceed.

MS. MEISNER: Yes, sir. And just as an objection to Mr. Foerster's -- kind of his characterization of court of appeals' remand order, I don't think that the court of appeals remanded -- it's my position that the court of appeals didn't remand to give him a second opportunity.

The question before the Court is whether the attorneys' fees were reasonable at the time that they were submitted without an affidavit of attorneys' fees.

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So that's my position on that.

THE COURT: Okay.

MS. MEISNER: So as we discussed, Your Honor -- may I proceed with --

THE COURT: Yes, ma'am, please. I asked you to.

MS. MEISNER: Yes, sir, Your Honor.

And I don't know -- I mean, this is kind of -- a little cluttered, but everything in blue is either a hearing, a status conference, or something that was submitted to -- a substantive request of the Court.

What is in black is Your Honor's order or anything that the Court made a determination of.

So the foreclosure hearing was April 25, 2012. Then on May 14, the Plaintiffs filed a Form 4 for the entire amount of the judgment, which was 62,000 on one and 46,000 on another, which did not include the appraisal or application of the appraisal fee. It did not include the application of the sale.

And in fact, the Form 4 specifically says, If there's a deficiency demanded, do not put in numbers in that box because -- for quite obvious reasons -- that significantly prejudices the Defendant because that becomes the lien on all properties that may or may not be affected by that particular foreclosure.

Because I was a guarantor -- and this, again, was prior to the deficiency judgment or the appraisal statutes -- that also affected personal properties that I owned outside of Sand Dollar.

And we said that that is prejudicial. They should not have done that. That was a heavy-handed approach to file --

THE COURT: How did it affect personal property?

MS. MEISNER: It's a judgment filed against me, Your Honor, as a guarantor, so if I own property in my personal name and needed money to pay people like this or something else, there's no way I could get a loan. And that's how it affected me. It's highly prejudicial to have a lis pendens and a judgment filed against you personally.

So they did this on May 14, May 16, and it was in contradiction to the Form 4 orders.

On June 7, Mr. Bowens, who represented at that time both me and Sand Dollar, filed a motion to alter and amend the information entered on Form 4. As part of that motion to alter and amend -- and that's part of the record -- they stipulated in Paragraph -- well that's different.

But again, it was filed, and it basically was

objecting to their filing of the Form 4 prematurely, before all of those things, and specifically brought up some other -- the declaratory judgment action that would be handled after the appraisal statute and the guaranty agreement which would be handled after application of the appraisal statute and the deficiency sale, because neither sale had occurred at this time.

So if you look at -- then on May 16, the order of foreclosure and sale, the appraisal statute was granted as stipulated in their previous hearing, in the hearing before Your Honor back in April.

So in Paragraph 22 of the order of foreclosure, it says Plaintiff stipulates to appraisal statutes. Then it says in Paragraph 29, pursuant to the deficiency statute, sale remains open for 30 days, with Plaintiff getting the first bite of the apple. It doesn't say, Plaintiff getting the first bite of the apple. However, it does say, pursuant to the deficiency statute, they get to bid first, so they are the first bidder. Then it remains open for 30 days.

Then in Paragraphs 34 and 35, it specifically states in your order and gives notice to the Plaintiffs, if bidder is someone other than the Defendant -- the Defendant in that case was both me and Sand Dollar. If it was someone other than that, then it goes on to say

there is going to be a writ issued, and that kind of thing.

So your order specifically allows the Defendant to repurchase the house at the foreclosure sale because it is a deficiency demanded, and the bank, Plaintiff bank, already had an opportunity to bid on it.

So on July 31 -- now August -- July 31, the Defendants filed a verified position for appraisal. That is both Defendants, both Sand Dollar and Meisner.

In your order, it references -- Mr. Foerster says that only I, personally, am allowed to take the benefit of the appraisal statutes. However both Sand Dollar and I were listed in the appraisal documents, and at that time, Sand Dollar was represented by an attorney. There is no prohibition of filing for the appraisal statutes. So that verified petition was filed on July 31.

Pursuant to the statute -- and when we go back up here at April 25, during the foreclosure hearing --

THE COURT: Of Plaintiff, 2012.

MS. MEISNER: Correct.

THE COURT: Five years ago.

MS. MEISNER: Correct.

THE COURT: More than five years ago, actually.

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MS. MEISNER: That is correct, Your Honor.

THE COURT: All right.

MS. MEISNER: The Plaintiff says that -- they stipulate that both parties will get the benefit of the appraisal statute, and it's in your order.

So we filed a verified petition on July 31.

THE COURT: Of 2012.

MS. MEISNER: Of 2012, pursuant to the statute. Their return or their nomination of appraisal and submission was due August 10, but they didn't do that. Your Honor gave them additional time because on August 13, Ms. Stomski requested a status conference hearing. So during the status conference, the Plaintiff requests to use statute, to specifically refer to the statute for the appraisals.

And so they also brought up that they wanted to vacate the sale, and they said that it was improper even though your order previously, up here, said that if it is someone other than the Defendant, indicating that it is not a problem via law for the Defendant to make a bid on a deficiency judgment. And there's no precedent for that not being a problem because they gave the bank opportunity to extinguish the deficiency if they filed for the mortgage interest.

Now, then you come down here to the status

conference on the 13th. We're back there. Plaintiffs again make their request to use the statute even though they've already missed the deadline.

THE COURT: All right. Now -- I'm sorry. I want to make the record very clear because somebody reading the transcript of this hearing might not know exactly what you're talking about. When you give a date, please give the year as well as the month and the date, please.

MS. MEISNER: Yes, Your Honor, I will.

THE COURT: I don't want to interrupt you.

MS. MEISNER: No, sir. I understand. I appreciate your indulgence in going back through this so that it's clear what is actually being appealed and what has been adjudicated.

So on August 13, 20 -- let me start back since we were giving dates before.

On July 31, 2012, the Defendants, both Sand Dollar and Rhonda Meisner, timely filed a verified petition for appraisal. And in fact, during the status conference of August 13, 2012, Ms. Stomski, on behalf of the bank, acknowledged that the Plaintiffs had filed that.

So up here, it says that they are going to not stipulate that the appraisal statute is available, and

then during the status conference, they reiterate that. They argue to Your Honor that they want to look at the statute for this. And then she says that she is under the understanding -- she misapprehended and thought that I personally bought the property back, which is incorrect. But that aside, because that's another hare down the rabbit hole.

But then, during that hearing, she says that she wants to vacate the sale, and she argues that the sale should be vacated because the amount paid was insufficient. However, the amount that she is arguing about is more than what the bank gave, so she in effect argued that the bank fraudulently underbid at the initial sale.

So then, during that hearing, Your Honor asked her -- and I've got the transcript that I can give you if you would like to see it, but the gist of it said -- and we can enter this if you want to, but it's still part of the record.

It said, How is your Plaintiff -- how is your client prejudiced by me bidding more than they bid in the sale, which was an extremely insightful question because how could they be prejudiced when they bid more than the bank did? There's no prejudice against them.

So in that time, you extended their time to

appoint an appraiser. Ms. Stomski during this hearing acknowledged that she knew that we had satisfied the petition, certified petition for appraisal, but then she goes on to say or argue that she wants to set aside the sale, talking to the bank.

So they've missed their deadline the first time, August 10. Then the Court allows an extension of the return pursuant to the statute.

And I think this is probably a good point where we should go through the -- it is my opinion after reading the statute that pursuant to the statute, the purpose of that is exactly this situation -- and I argued this in the hearing that we had last time -- to not allow banks to go in and pay a small amount and then ask their former customer for a deficiency because they bid a small amount. Ironically, and in a crazy twist of things, she argues that it was inappropriate for me to bid more than the bank.

But in any event, your Court allowed Ms. Stomski an extension of the return via an oral order at an August 13, 2012 status conference. So you told her, Can you do a return to the appraisal, in August 2012. Let me find that exact quote.

Your Honor said, Okay. Well, if you all decide to ask that we set aside the sale, file a formal

motion, a motion to set aside the sale, and maybe a short brief, five pages or less, explaining why. And I guess Mr. Bowens will give you a chance to respond.

Now, all of this is going to be taking place against the backdrop of the appraisers doing their work, unless you all want to wait until I make a ruling on the motion to set aside the sale.

Mr. Bowens?

And then there was more discussion, and Ms. Stomski says, It seems like that would keep things going, moving along, because we certainly don't want to create any delay.

Your Honor said, Yes, ma'am. All right. So Ms. Stomski is going to submit a motion to set aside the sale after consulting with her client, and Mr. Bowens' position -- and I think I agree with it -- is to have the appraisers go ahead and do their job, and hopefully, like I said, most of these things will get resolved without my input. But if the appraisers can't agree, then the court will appoint somebody.

Anything further?

No.

THE COURT: Let me -- I don't mean to cut you off, but in your motion, you're trying to get me to change the order. Is that correct?

MS. MEISNER: Well, Your Honor, this was -- there were several things in the order that were ruled on that were submitted by Mr. Foerster that were accurate, which were not. For example, he said that Sand Dollar and Rhonda Meisner -- only Rhonda Meisner would get the appraisal statutes.

That's what a Rule 59 motion is for. If there is some confusion or some misapprehension by the parties, then that has to be resolved.

THE COURT: But you appealed at some point, didn't you?

MS. MEISNER: No, sir. This was not appealed. No, sir.

THE COURT: Was it preserved for the record?

MS. MEISNER: Yes, sir, and let me tell you how.

So right here, the Defendants filed -- both Defendants, Sand Dollar and Rhonda Meisner, filed a verified petition July 31, 2012. Then the Plaintiff's return is due. As we get down, Plaintiff's request to set aside the sale.

So of all --

THE COURT: And how did I rule on that motion?

MS. MEISNER: On the set aside the sale?

THE COURT: Yes, ma'am.

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MS. MEISNER: You did not rule on that motion. You heard the motion but you did not rule on it prior to the Plaintiffs removing that. And we'll get to that further down here.

THE COURT: Removing -- you're talking about removal now to federal court or not?

MS. MEISNER: No. Did I say removal?

THE COURT: I thought you did. Maybe I misunderstood.

MS. MEISNER: I'm so sorry. Withdrew. And I understand the importance. No. We didn't try to remove it.

THE COURT: You know, I'm trying to decide. See, what's hard for me is to sort out what's been handled -- what's been heard by the appellate courts and what hasn't.

MS. MEISNER: And that's why I'm going through this, to explain to Your Honor, because it is a very complicated case, and unfortunately, there's been two attorneys since Ms. Stomski, and so that has complicated things.

THE COURT: Well, what relief do you want? Maybe we can narrow it that way.

Now, at first, you said the appraisers had already finished their job from both sides.

MR. FOERSTER: Yes, Your Honor.

THE COURT: Now, is there a dispute, Ms. Meisner, over what they say the judgment should be and what you say the judgment --

MS. MEISNER: Yes, sir, and that's the next portion of this.

THE COURT: Okay.

MS. MEISNER: So the Court allows the extension, and, again, Ms. Stomski's asked for the appraisal statute, per the statute. As we were discussing, that statute is put in place for the benefit of the defendants in a deficiency judgment action.

So on August 20, the return -- that's the bank's submission of appraisals -- and their petition was due by the Plaintiff per the above order, the oral order and the written order, the written order from May 16, the oral order from August 13 --

THE COURT: 2012.

MS. MEISNER: -- 2012.

The Plaintiffs never submitted any sort of designation with the Court of the appraiser or did anything else.

Instead, they did exactly what they talked to Your Honor about at that hearing on August 13. And that's why I wrote all of this down. On August 13, they

said, We want to vacate the sale.

So for all intents and purposes, they basically abandoned the verified petition for appraisal in August 2012. On August 30, they filed a motion to vacate the sale, which was entered on September 6, 2012. So after this hearing, Your Honor said that you could file a motion to vacate the sale.

They never submitted their appraisal or complied with the statute, but they submitted a valuation of the property, and that valuation of the property was the mortgage amount, which is exactly what we argued last time we were before Your Honor. We argued that when the bank filed their motion to vacate the sale, they said that a fair value for the properties would be the mortgage amount, and we agreed with the bank and accepted that via motion.

THE COURT: Let me ask you, Ms. Meisner, if I grant your motion to alter or amend the judgment, what do you win? What benefit is it to you?

MS. MEISNER: Well, the judgment should reflect that we accepted the only valuation which is before the Court, and that is what the bank argued, that the value of the property should be gauged at the mortgage amount.

These were commercial properties, which

only -- the bank only loans 70 percent. So if they loaned me $60,000, then that's only 70 percent of the value, or whatever those numbers are. I don't remember specifically.

But they made their own argument. And when they loaned the money, they don't allow me to get an appraisal and say; Here. Here's the appraisal. Loan me money on this appraisal.

No. They get their own appraiser, and it's incumbent on them to provide an appraiser that is going to do a good job.

So they loaned the money on this. I lost my job. I brought one loan in to -- I brought one loan current, did not bring the other loan current. However, I thought that they were going to not do this. Instead, they said, No. If you fail on one loan, all loans are called.

THE COURT: Now, basically, you think there's no deficiency judgment, that you don't owe anything. Is that the bottom line?

MS. MEISNER: Well, Your Honor, my opinion is that since we accepted the bank's argument that the value of the property should be the mortgage amount, I think that that's an appropriate value, and that's the only value that is before this Court.

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THE COURT: Mr. Foerster, what does your client believe the deficiency judgment should be, based on what the appraisers came up with?

MR. FOERSTER: I think at this point, both appraisers have given their returns. Their valuations for each property are in the same ballpark, and so I think we'd be fine if the Court wanted to -- I don't know what the next step is, if the Court wants to reconcile the two figures, because they're literally only a few thousand dollars apart. But somewhere around there is what we think should be the value of the property for purposes of setting the deficiency.

THE COURT: Okay. Let's talk about the status quo, what's going on now.

Who owns the property now?

MR. FOERSTER: SCORE, LLC, her LLC which she hired to, I guess, bid on these properties at the upset deficiency sale.

THE COURT: Is that your company, Ms. Meisner, SCORE, LLC?

MS. MEISNER: That is South Carolina Operating Room Equipment, and that is my company. I did get another job and subsequently replenished the -- without getting into personal situations, when I lost my job with them, once I got a new job back, that was part of

kind of the gall in the wound because I told them that I had been working but only for six weeks, and they went ahead with the foreclosures anyway.

And as a side note, there were issues with the bank's -- the person that was handling my loans at the bank. I think we went over this during the hearing, but she -- well, in any event, she did some inappropriate things outside of the bank, and when I was behind on my loan basically said, Look. I don't get commissions unless your loan is performing.

THE COURT: But you own the property now, still.

MS. MEISNER: South Carolina Operating Room Equipment owns the property. It's a separate LLC. I do have -- it formed in 2010. I mean, the bank made it sound like I formed an LLC to go and... That wasn't the case at all.

THE COURT: Well, all right.

Mr. Foerster, what does your client -- you don't know yet what the deficiency is that you --

MR. FOERSTER: I mean, we can -- I have an extra copy of the return of the appraisers, if I may approach the Court. This is what I submitted with the letter and copied her on as well. And we can go over what these figures are, and I can break them down for

you.

THE COURT: Hold on a second. I may hand this back to you. This is what I'm driving at. I'm trying to figure out a way to settle this.

I mean, Ms. Meisner, if the other side would just waive their demand for deficiency judgment, would that end the case?

MS. MEISNER: Yes, sir.

THE COURT: And that has nothing to do with attorneys' fees, now, because I'd still have to rule on that.

And Mr. Foerster, I don't know -- you haven't talked about that with your client, I guess.

MR. FOERSTER: I think we talked to our client about that years ago, and I think my client is not willing to waive deficiency, Your Honor. We tried to run that by them.

THE COURT: Under any circumstances?

MR. FOERSTER: And of course, I can -- maybe they'll change their mind. I don't know. But I doubt it since we've gone this far.

THE COURT: Okay. One moment please.

Again, for clarity of the record, you said it was a commercial foreclosure.

MS. MEISNER: Yes, sir, that is correct.

THE COURT: But it looks like -- so this building is a commercial building, the building that the Plaintiff's appraiser appraised at 8391 Winnsboro Road in Blythewood, 29116. That's a commercial building.

MS. MEISNER: Well, Your Honor, because it's owned by a limited liability company, that's how they designate it. It is a residential -- it's a rental property.

THE COURT: But people live there. It's not just an office.

MS. MEISNER: Yes, sir, that's correct.

THE COURT: Okay.

MS. MEISNER: And Your Honor, I'm not trying to interrupt you, but we did have some -- I only recently got that appraisal, and we did have objections to it because in the original hearing, he said that they used USPAP standards.

Well, in evaluating the appraisal, they had as comparables foreclosure properties, which is a violation of the standards for USPAP. And that was only recently given to us. You can't use a foreclosed property sale price for normal market values because, quite obviously...

And Ms. Stomski argues in their motion to vacate the sale that the price was insufficient.

However, their appraiser came up with the same price, which was 20 -- they came up with 25,000 or whatever it was.

Ms. Stomski ordered that it wasn't fair for me to get the benefit of the property. I didn't buy the property back. SCORE, LLC bought it. But even if it was a third party, like someone that was unfamiliar to that, she said that it was an amount deficient for the sale only because an entity that I'm affiliated with purchased the property.

But, as Your Honor asked earlier, how does that prejudice the Plaintiff? They still get the same 25,000 that they would have gotten if it was somebody else. The only reason that it is upsetting to them is they didn't get the property at 25,000 and then demand the deficiency.

That's why the Legislature enacted the appraisal statute. But they didn't comply with the appraisal statute. They didn't -- in 2012, they did not submit the return to the appraisal. They submitted nothing to the Court. They didn't even submit Eugene Garvin's name in 2012.

MR. FOERSTER: Yes, we did. We sent a letter to the court on August 17 and copied Mr. Bowens on it, designating Mr. Garvin.

MS. MEISNER: August 17? Can I see that?

MR. FOERSTER: Yes.

MS. MEISNER: Do you have one that's stamped by the court?

MR. FOERSTER: No. I mean, we just sent it to the chambers. I don't think we filed it.

MS. MEISNER: But you didn't file it through the court.

MR. FOERSTER: No, I didn't file it through the court.

MS. MEISNER: So it's not in the record of the court.

MR. FOERSTER: Anyway, we designated an appraiser, so the order is correct in that respect, Your Honor, and I think that's what she's arguing.

THE COURT: Okay.

(Cell phone ringing.)

THE COURT: Excuse me. I need to take this.

(A recess transpired.)

THE COURT: I apologize for that delay.

I was about to say, as far as the attorneys' fees are concerned, I'm going to go ahead and grant that motion.

As far as the motion to alter or amend the judgment, I'm going to take that under advisement, but I

was going to ask Mr. Foerster to submit a proposed order stating what he or his client believes the deficiency judgment should be. And of course, I have to sign off on that, and I'm going to review what's in the record and make a decision on that.

And of course, deficiency judgments -- and I don't want to editorialize while I'm up here, but quite frankly, I don't think they're fair, but that's the law in South Carolina.

One of my colleagues in another county refused to sign one because he didn't think it was fair, and that just delayed everything for two more years because the supreme court slapped him down. And I think some of us don't think it's fair.

On the other hand, it's the law. So I'm going to have to look at what's in the record and make a decision on that.

MS. MEISNER: Yes, sir, Your Honor.

And if I may, we are kind of down to about right here in going over things that are pretty important to the deficiency judgment because we've got balancing statutes here. We've got the bank's right to a deficiency, certainly, and then we've got the appraisal statute, which is the counterweight to that balance.

In the interim of Sand Dollar and Meisner filing a verified petition for appraisal, down here, on August 30, the bank files a motion and says that the value of the property should be the mortgage amount. And they filed a rule to vacate the sale, so they wanted to overturn the sale. That was on -- they filed it on August 30. However, it was -- well, they submitted it on August 30. It was filed on September 6.

In that motion to vacate, they acknowledged receipt of the verified appraisal petition. So they've acknowledged that both Sand Dollar and Meisner do have a verified petition for the appraisal.

They also acknowledged that the guaranty amount was less than the Form 4 previously filed, which was 31,000, and then, I think, the other one was 36,000. So those were the personal guaranty amounts of me. So they acknowledged that in their form, and they argued that the amount of the mortgage is a fair amount for the valuation of the property.

THE COURT: What was the bid, though?

MS. MEISNER: They bid 25,000 but --

THE COURT: No. What was the winning bid, I guess I should say?

MS. MEISNER: $25,001. And there's absolutely no prohibition -- there's no requirement that someone

upsetting the bank's bid, bid what their opinion of the fair amount of the mortgage is that would chill the foreclosure sale because they could go out and buy any property.

The whole purpose of that is for the bank to be -- to receive their money back. However, they can't, based on the appraisal statutes, underbid their -- that's a supreme court case where --

THE COURT: Well, in a minute, I'll hit what I'm driving at. But the owner of the property paid what, the present owner of the property?

MS. MEISNER: The present owner of the property paid more than the bank bid.

THE COURT: No. The present owner of the property bid at a deficiency sale, though. Is that correct?

MS. MEISNER: That's correct. So they bid more than the bank was willing to bid. However, in her motion to vacate the sale on September 6, she acknowledged that we asked for the appraisal rights, and then she argued that the fair market value was the mortgage amount.

THE COURT: Now, when a bank asks for a deficiency judgment, they're basically stating that the property isn't worth what's owed on it. Now was there

more than $25,001 owed on the property?

MS. MEISNER: I don't know the amounts that were owed, but it wasn't -- I don't know. I'm not going to say --

THE COURT: Mr. Foerster, do you have that information?

MR. FOERSTER: Yes, I do. Judgment amount in Civil Action 6317, which involved 4824 Linden Street, that judgment amount was $63,734.92. For Civil Action 6318, for 8391 Winnsboro Road, the judgment was $43,220.45.

MS. MEISNER: And, Your Honor, I'm going to object to those numbers because that includes attorneys' fees. That includes all kinds of other things, inspections, things like that. I thought your questions was, what was owed on the property itself at the mortgage prior to the application of additional fees and those sorts of things.

Nevertheless, as I previously argued, these were properties that were owned by an LLC, so they only provide a mortgage for 70 percent of the value, so it was the bank itself that valued the property initially.

Then they went to the foreclosure sale and bid a significantly lower amount than they said the property was worth, because their foreclosure sale said that they

were asking for these amounts that had been loaned. Then they bid 25,000.

They made a motion to Your Honor to vacate the sale, saying that their original price was right, not what they bid at the sale. So they basically admitted fraud to the Court.

THE COURT: I don't know if it's fraud. Let me explain a little bit more about how the foreclosure process works.

The bank doesn't have to pay again because they've already lent the money, so their bid, in many cases -- well, first of all, I tell people, at the judicial sale, they're starting the bidding off. If you bid against them, you're probably going to bid at least what the whole debt is.

The reason they bid the nominal amount is just because they have to pay a commission to the county of 1 percent with a cap of $2500, so they typically bid as little as they can get away with, simply to avoid paying a commission a lot higher than they thought they ought to.

And to say it's fraud to bid $2500 I think is not accurate, not necessarily. Now, I don't know. I may be wrong, and a grantor may call me tomorrow. I don't know. But I'm not sure I would call it fraud.

I'm just telling you what the strategy normally is as I see it from where I sit. They're trying to keep from paying a high commission. That's why they bid what they bid. And their bid has nothing to do with what they're going to have to pay because they've already lent the money. They don't have to pay again.

MS. MEISNER: Right, Your Honor. But that's where the fraud comes in, in my opinion. If they didn't believe it was worth that, then why did they loan the money? That was their security. And yes, they --

THE COURT: And they probably had an appraisal at the closing, right?

MS. MEISNER: That's exactly right, that they submitted, that they found. They got that appraiser. They submitted that appraisal.

THE COURT: And I think we've had the appraiser -- you don't have to accept what they say the property is worth. At least that's way I look at it. At the judicial sale, we will get to that stage.

But did you all in your answer -- you filed an answer to the summons and complaint. Is that correct?

MS. MEISNER: Yes, sir.

THE COURT: Did you challenge their demand for a deficiency judgment? Did you say they can't get a

deficiency because we believe that the property is worth what's owed on it?

MS. MEISNER: We did two things.

THE COURT: Okay.

MS. MEISNER: We challenged their statement that we were not -- both Sand Dollar and both individual defendant Rhonda Meisner were not allowed to get the appraisal of the property, to apply the appraisal, because they initially tried to say that you couldn't apply the appraisal, but they didn't follow the statute with that. So they agreed -- they stipulated to the appraisal statute.

The second thing we did is we filed both a defensive and an offensive declaratory judgment action which said if -- we asked the Court to look into the terms of not only the guaranty agreement, the mortgage, notes and obligations of the parties.

I don't have the exact words, but yes, we filed a declaratory judgment which is both defensive and offensive, which brings us to the guaranty agreement because the guaranty agreement, that was something that was not ruled on as well.

So there were several things in Your Honor's order that they submitted as fact, which is why we filed the 59(e).

THE COURT: Now, everything that was ruled on has been appealed. Is that correct?

MS. MEISNER: No, sir. Well, yes, sir. Well, it would -- the interlocutory appeal covered the attorneys' fees and covered this initial motion to alter or amend that was filed prior to the foreclosure sale, the deficiency judgment, and the bank's motion to vacate the sale.

So that up there was appealed, which was interlocutory, and then those motions and those representations were filed subsequent to that, so they were not part of that.

THE COURT: And was it heard by the court of appeals or the supreme court?

MS. MEISNER: Your Honor, I took it to the United States Supreme Court for that particular thing because I thought that it was an invasion of rights for them to file a Form 4 in contradiction of the Court's order, the instructions for filing Form 4, which was the whole reason they were heavy-handed, filing amounts for both parties prior to your adjudication of those issues.

THE COURT: Mr. Foerster, I'll give you a chance to explain.

MR. FOERSTER: All right.

THE COURT: How did the U.S. Supreme Court

rule on that?

MS. MEISNER: They denied the petition, Your Honor.

THE COURT: Okay. But what about the court of appeals? Was it heard in South Carolina by the court of appeals or the state supreme court?

MS. MEISNER: Yes, sir. That was the remand, but it was my opinion that the filing of the Form 4 -- because the South Carolina supreme court says that you should not put the amounts or the parties when a deficiency judgment is entered into the Form 4 until that has been determined.

At the time that order was submitted and signed, it was prior to the regular sale, prior to the deficiency sale, prior to the application of the appraisal statute, and prior to the motion to vacate the sale.

THE COURT: So the appellate court reversed our decision?

MS. MEISNER: They reversed the decision on the attorneys' fees, and they said you had not yet ruled on the motion to -- on that motion. Therefore, it was not before the court, which is part of the reason we're asking for a ruling on them filing the Form 4, and we ask for the amendment.

THE COURT: Well, in this case, I've already said I was going to take it under advisement. I was going to rule today --

MS. MEISNER: Yes, sir.

THE COURT: -- on the two motions to alter and amend the judgment.

I will grant the Plaintiff's motion for attorneys' fees. I think they are reasonable considering that they were incurred way before this case was over. This case still not over, it looks like.

MS. MEISNER: Yes, sir.

THE COURT: Mr. Foerster, you wanted to respond to some of the arguments made.

MR. FOERSTER: No. I mean, I just wanted to clarify the procedural posture. It didn't actually go. Basically, the court of appeals affirmed everything in your judgments in both cases except for the issue of whether the attorneys' fees were reasonable.

She filed a petition for writ of certiorari in the South Carolina supreme court. That petition was denied. She filed a petition for writ of certiorari in the United States Supreme Court. That petition was denied, so it never actually got up to those courts.

The issue -- all other arguments go into the issue of her personal liability under the guaranties to

this day. And that issue was decided and finally ruled upon in both judgments of foreclosure and sale in this case.

She's exhausted her appellate remedy, so those issues, as far as I'm concerned, they're dead, and she's barred by collateral estoppel from ever arguing them again.

THE COURT: Okay.

Let me ask both sides to do this. Because I'm taking the motion to alter or amend judgment under advisement, I'd like proposed orders from both sides, if that's okay.

Does that satisfy you, Ms. Meisner?

MS. MEISNER: Yes, sir. There were a couple of things that have not been ruled on based on the complexity of the case and the interlocutory appeal.

THE COURT: You can refer to that in your proposed order.

MS. MEISNER: Okay. Would you like for me to do that?

And I just want to make sure that everything is ruled on, so can we stipulate that we will extend those requests to rule on specific things like the --

THE COURT: Let's see your proposed order. It's the same instruction. And I'll make a decision,

and of course, you'll have further -- I guess you'll have further remedies -- I don't know -- if I rule against you on this, but I haven't decided how I'm going to rule.

MS. MEISNER: To that end, Your Honor, I would like one more thing on the order.

THE COURT: Yes, ma'am.

MS. MEISNER: There was an order of dismissal entered into the record for these cases, and Mr. Foerster said that he didn't put in an order of dismissal.

THE COURT: What happened was, we got a report from court administration indicating that we had a backlog of over 2,000 cases that we had heard and never finished. Most of them were supplemental proceedings, which -- people routinely ask me to keep them open.

But court administration decided that I had a 2,000-case backlog, based on the fact that these -- on the case management system, everything is electronic, and we didn't put in the right code to close those cases.

And so, as a practical matter, what I did was do an omnibus administrative order dismissing all those cases without prejudice, again, dismissing them without prejudice.

And we've got the code now, and we're going to go through one by one, every one of those cases -- my staff is working on that, probably even as we speak -- and get the ones that should be dismissed dismissed. If they were dismissed incorrectly, we dismissed them without prejudice, and certainly, we'll bring them back to life here before me.

So that's what that's all about.

MS. MEISNER: Okay. Well, Your Honor, as Mr. Foerster just intimated about collateral estoppel and so forth, if the case is dismissed prior to the adjudication of these claims, then there would be an issue of not being able to bring those issues before the Court.

I don't know if that order was signed or not. Do you know?

THE COURT: The administrative order? Yes. I signed it. I drafted it and signed it.

MS. MEISNER: So --

THE COURT: But as I was saying, the bottom line is, I don't think it affects -- at least that order doesn't determine the outcome. It's not a ruling on the merits. It was simply an administrative order.

MS. MEISNER: Okay. So, then, what Your Honor is ruling is that it would not implicate future

arguments or issues.

THE COURT: That order would not. No, not that administrative order dismissing the case without prejudice.

MS. MEISNER: But Your Honor, there are some things that may have a statute of limitations issue as far as -- you haven't ruled on the motion to amend the complaint.

And we didn't get to the bottom of this, but the bottom line is, I don't think that they statutorily complied with things. And that, as you know, is an interlocutory order as well, the motion to amend the complaint. So if your administrative order --

THE COURT: Who's motion was that?

MS. MEISNER: That was mine.

THE COURT: To amend the complaint?

MS. MEISNER: Well, to amend the counterclaims.

THE COURT: The counterclaims. Okay.

MS. MEISNER: Yes, sir. I apologize, Your Honor.

THE COURT: That's all right. That's all right.

MS. MEISNER: I considered it a complaint, so --

THE COURT: Right. Right. Well, that's not before me today. However, that's an interesting issue, whether or not the statute of limitations was tolled. But those cases sat wide open for quite some time. Some of those cases went back to 2003.

And so if nobody said anything for all those years, 14 years or all the years that it stayed on the books, so to speak, or on the case management system, I don't know whether the statute of limitations was tolled or not.

That's probably a novel issue, because I know before the age of computers, they didn't have this kind of problem. So that may be a novel issue that we have to do deal with at some point.

MS. MEISNER: Yes, sir, Your Honor.

The final -- one last thing is, if the dismissal -- if the administrative order for the dismissal does seem to not toll the statute of limitations, would Your Honor stipulate that they could vacate that order to determine these things?

THE COURT: No, I wouldn't stipulate that.

MS. MEISNER: Okay. Well, were we served on that -- I mean, was that order sent to us for purposes of --

THE COURT: We can send you a copy of that

administrative order. It's 98 pages long because there are over 2,000 cases that were not closed by the proper code on the case management system.

MS. MEISNER: So you're saying that this was a technical glitch in closing the case.

THE COURT: Those were my words exactly in my administrative order.

But again, those were all without prejudice, and we did that on purpose to make sure that we didn't cause anybody too much heartburn about it.

MS. MEISNER: Your Honor, I know you have multiple cases after this. I just wanted to get down to the very bottom.

The other information that was in there -- and I know you requested that we put that in the proposed order, but after they filed their motion to vacate, they acknowledged the diminished guaranty amounts.

On October 1, I had to hire another attorney to represent South Carolina Operating Room Equipment, Rick Gleissner, who made an appearance October 1.

October 18, you sent an order for the hearing scheduled for November 6, 2012. On November 6, 2012, at the hearing before Your Honor, there was no court reporter scheduled. That was due to the presidential election.

And on July 10, 2014, two years after this hearing, they withdrew the motion. So I'm just putting on the record that the arguments were before the Court before Mr. Foerster withdrew.

So there were facts in the initial order that is subject to the Rule 59(e) that are erroneous, and that's the only point that I was making to Your Honor.

MR. FOERSTER: And again, I wasn't there. I wasn't of counsel at the time.

I understand that November 6, 2012 hearing was just a status conference, which is why it wasn't on the record, it was not noticed as a motion hearing, and it was not for the purposes of a motion hearing. So I really don't know if that counts as a hearing on the motion to vacate the sale or not.

MS. MEISNER: Your Honor, that's incorrect, and I don't know what he is looking at, but the order was -- she filed the motion September 6, 2012. I submitted a declaration under penalty of perjury that both Your Honor, Glenn Bowens, Rick Gleissner, and Teri Stomski were at the case. And Teri Stomski argued that the value of the sale should be the value of the mortgage at that hearing. So it was before Your Honor prior to their vacatur. Therefore my arguments on judicial estoppel should be still in front of the Court.

MR. FOERSTER: Your Honor, what I'm reading from is, Your Honor sent out a summons and order of appointment for a status conference, and that was entered October 18, 2012 and signed by Your Honor. So I believe it was just a status conference, and that's why it wasn't of record.

THE COURT: All right.

Now, as far as the proposed orders in what's before us today, today is October 5. How much time do you all need to get those orders to me, proposed orders?

MS. MEISNER: Is it possible to have 30 days? I know that's a long time.

MR. FOERSTER: That's fine with me.

THE COURT: That's fine. November 6, 2017.

MS. MEISNER: Can we pick another date? That was really bad for me in 2012. November 7, maybe?

THE COURT: Okay. The next day, November 7, 2017.

MS. MEISNER: Thank you, Your Honor.

THE COURT: Now, in the meantime, what I threw out about waiving deficiency, Ms. Meisner's already said if you all waive deficiency judgment against her, we can all go home, and this case would finally be over -- these cases would finally be over.

You said you all talked about it years ago,

not lately, so you might want to talk to your clients about it. And certainly, you can talk about my input.

MR. FOERSTER: All right. Thank you, Your Honor.

THE COURT: All right. Thank you all.

MS. MEISNER: Thank you, Your Honor.

(The hearing was concluded at 3:16 p.m.)

CERTIFICATE OF REPORTER

I, Caroll Anne Boutahar, Certified Verbatim Reporter and Notary Public for the State of South Carolina at Large, do hereby certify:

That the foregoing proceeding was taken before me on the date and at the time and location stated on page 1 of this transcript; that all statements made on the record at the time of the proceeding were recorded by me and were thereafter transcribed; that the foregoing proceeding as typed is a true, accurate, and complete record of the proceeding to the best of my ability.

I further certify that I am neither related to nor counsel for any party to the case pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal this 26th day of March, 2018, at Columbia, Richland County, South Carolina.



Caroll Anne Boutahar

Caroll Anne Boutahar
Certified Verbatim Reporter,
Notary Public
South Carolina at Large
My Commission Expires:
December 13, 2021

State of South Carolina)
County of Richland)
)
SCBT, N.A.,)
) 11-CP-40-06318
Plaintiff,)
) Transcript
v.)
) of
Sand Dollar 31, LLC;)
Rhonda Meisner,) Trial
Defendants.)

State of South Carolina)
County of Richland)
)
SCBT, N.A.,) 11-CP-40-06317
)
v.) Transcript
)
Sand Dollar 31, LLC;) of
Rhonda Meisner,)
) Trial
Defendants.)

Date: July 27, 2016

Time: 2:00 p.m.

Location: Richland County Courthouse/Judicial Center

1701 Main Street, Courtroom 2-D, Columbia, South

Carolina 29201

Reported by
Diane M. Hendricks

APPEARANCES

Presiding: The Honorable Joseph M. Strickland,
Master-in-Equity for Richland County

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EXHIBITS

(There were no exhibits proffered.)

PROCEEDING

THE COURT: We have two cases: 2011-CP-40-6317, 2011-CP-40-6318. And I believe both of these cases have gone up on appeal and have been remanded. And the only issue, I believe, is the attorneys' fee issue. Is that -- is that it, or is there more than that involved? Yes, Ms. Meisner.

MS. MEISNER: Well, good afternoon, Your Honor.

THE COURT: Yes, ma'am.

MS. MEISNER: The -- there are some outstanding issues that were delayed. As you know, the attorneys' fee decision was based on the denial of the Rule 59(e) motion back from June of the -- 2011 or '12. And, in fact, we had a hearing in December of -- let's see. That was on November the 6th of 2012. That hearing unfortunately was the day that the court reporter was not available due to the presidential holiday --

THE COURT: Uh-huh.

MS. MEISNER: -- or voting day. As a result, all of those things were never heard and they were not rescheduled because the interlocutory order was actually intertwined in the final

decision on the --

THE COURT: Uh-huh.

MS. MEISNER: The final deficiency judgment, appraisal rights, all of those things that were wrapped up in that --

THE COURT: Uh-huh.

MS. MEISNER: -- final decision. And -- okay.

THE COURT: In the order of remand, did they specify that all those things were to be heard on remand or -- or did they say they were abandoned or weren't raised in time or --

MS. MEISNER: No.

THE COURT: -- how -- how did that court deal with that?

MS. MEISNER: Well, actually, I don't have -- I was trying to pull up the order in front of me --

THE COURT: Uh-huh.

MS. MEISNER: -- but it basically said that they raised and ruled on. But, however, we -- you specifically, Number 1, kept jurisdiction on the case based on the order of reference. And then, secondarily, at that hearing on the 6th, and I believe that there was an affidavit by the attorney representing South Carolina

Operating Room Equipment --

THE COURT: Uh-huh.

MS. MEISNER: -- Rick Gleissner, that also said -- and, of course, I was there. You know, I'm sure that Mr. Bowens can attest to that. However, I don't want to waive any attorney-client privilege with my relationship with Mr. Bowens due to the -- me representing myself and Mr. Bowens still representing Sand Dollar 31, LLC and South Carolina Operating Room Equipment.

THE COURT: Now -- now, the order of remand should have specified what -- what I'm supposed to hear, right? And -- and -- and did they -- and what did they say? I'm -- I'm looking for it now; I just looked at it online, but --

MS. MEISNER: Yeah. Your Honor, the -- the order of remand was for the attorneys' fees. But, I guess what I'm telling you is that we never had the follow-up hearing on the -- the other issues: The appraisal statute and the final determination of the value of the properties, because the -- the -- we started with the hearing. And, you said if we need to do this

on the record, then let's schedule it later. At the end of that hearing, you actually filed the denial of the motion to alter and amend, which was actually heard back in June.

THE COURT: Uh-huh.

MS. MEISNER: So there was never a ruling; you never ruled on the hearing there. We never had the hearing, so it was continued.

THE COURT: Okay. Who -- who made the decision to continue it? Me?

MS. MEISNER: Yes, sir.

THE COURT: I said continue it? So -- now, the court of appeals -- I'm concerned about -- about the appellate court telling me what to do, and me not doing exactly what they told me. I don't know.

I've forgotten your name. Please forgive me.

MR. FOERSTER: That's all right. My name is Sean Foerster and I'm here today on behalf of the plaintiff, which is --

THE COURT: Okay.

MR. FOERSTER: -- now known as South State Bank. It was SCBT, N.A. at -- at the beginning of this case, Your Honor.

THE COURT: Okay.

MR. FOERSTER: And, yeah. My understanding is -- is that there's really two issues left to deal with in this case. One is the issue that the -- the case was remanded to this court for us to support the award of attorneys' fees from the two foreclosure judgments in this issue.

THE COURT: Okay.

MR. FOERSTER: My understanding is that SCBT's counsel at the time had affidavits of attorneys' fees, but they weren't actually entered into the record at the hearing.

THE COURT: Right.

MR. FOERSTER: So I'm here to correct that today.

THE COURT: Okay.

MR. FOERSTER: And then, the other is, one of the defendants, Rhonda Meisner, had filed a petition for her rights under the appraisal statutes --

THE COURT: Right.

MR. FOERSTER: -- to assemble an appraisal panel to -- you know, for purposes of -- of setting the deficiency judgment. There's already deficiency judgments entered in this case. But I -- I -- my understanding is that the

appraisal rights, you know, could -- could change those if they come back higher than the foreclosure sale bids.

THE COURT: Okay.

MR. FOERSTER: So I -- I think those are the only two issues outstanding, Your Honor.

THE COURT: Okay. Now, what's -- these are for both cases?

MR. FOERSTER: Yes, Your Honor.

MS. MEISNER: And -- and, Your Honor, I think that -- that Mr. Foerster substantially represented things to that effect. The -- the only point that I will make is that the -- the appraisal, the appraisals were done --

THE COURT: Uh-huh.

MS. MEISNER: -- the plaintiff made a motion to set aside the sale, a motion to vacate the sale.

THE COURT: Uh-huh.

MS. MEISNER: And, in doing so, they actually submitted that their value of the properties --

THE COURT: Uh-huh.

MS. MEISNER: -- was the mortgage value. So they basically argued against their own deficiency.

THE COURT: Uh-huh.
MS. MEISNER: And so that is what is still pending: The determination of the final -- the -- the final valuation of the properties.
THE COURT: Uh-huh.
MS. MEISNER: And then the -- the issues surrounding their noncompliance with the appraisal statutes. And then -- and, I would say, Your Honor, that -- that you did maintain jurisdiction over that because the -- the attorneys' fees were decided. Since they entered them as a judgment against me, that is a substantial right which makes it an interlocutory; immediately appealable order.
THE COURT: Uh-huh.
MS. MEISNER: However, that amount is still part of the overall deficiency or the overall determination at the end of the sale. So there was no point in doing the appraisal sale and arguing the judicial estoppel based on the -- based on the bank's representations until we had -- we found out what the court said about the attorneys' fees, because the -- they -- they were all interrelated into

the final amounts.

THE COURT: Okay.

Mr. Foerster?

MR. FOERSTER: Your -- Your Honor, we filed a notice of withdrawal with the motion to vacate the sales two years ago. So that's -- that's no longer an issue in this case.

THE COURT: Okay.

MR. FOERSTER: And it's just -- it's up to the appraisers to set the value of the property for purposes of -- of deciding the final deficiency amount in both cases, and this attorneys' fees issue today, Your Honor.

THE COURT: And did the courts select the appraisers?

MS. MEISNER: Your Honor, I appreciate that question. In fact, the withdrawal of the motion does not withdraw the argument.

THE COURT: Uh-huh.

MS. MEISNER: They argue that the value of the property. Initially, when they gave the loan, they gave the loan based on the value of the property, which was 70 percent of their appraiser's value at the time they gave the loan.

THE COURT: Uh-huh.
MS. MEISNER: Then they went to the judicial sale and bid $25,000 on one property, and $10,000 on another property. Then they moved to vacate the sale after that. So, they're judicially estopped from saying that it's not worth their initial -- their initial loaned amount when they particularly said the -- it is the value of the mortgage. And I -- I reference several cases on par with that where the bank tried to set aside the sale where it wasn't, you know, ten percent. And, just because they removed the -- the --
THE COURT: The motion?
MS. MEISNER: -- motion to vacate, that doesn't remove their argument. I mean, that's --
MR. FOERSTER: Well, Your Honor, it does remove our argument. We withdrew it. It was never -- I don't think it was heard, it was never adjudicated, so I don't see how this is an issue. I mean, I can argue about this, if we -- if we want to.
THE COURT: Well - well, I'm -- I'm trying to get it as narrow as possible.
MR. FOERSTER: Yeah.

THE COURT: Maybe I should go back and review the court of appeals orders and see exactly what they remanded. If I recall, there was two unpublished opinions. And --

MR. FOERSTER: I've got a copy of the order, if you'd like it, Your Honor.

THE COURT: Now, is this for both cases or just the one case?

MR. FOERSTER: It should be for -- I think -- the court of appeals I believe has treated them as a single case.

THE COURT: No. I think -- I disagree. I think they were two separate orders. They're unpublished opinions, but they're -- they're -- they're two separate orders, because they were two separate cases. I think they're -- they're --

MS. MEISNER: Your Honor, you are correct.

THE COURT: Okay.

MS. MEISNER: They did -- they did issue two different orders with two different findings. The cases were consolidated. Mr. Foerster's correct in that the cases were consolidated. However, they issued a bifurcated ruling based on the attorneys' fees, based on the --

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THE COURT: Right.
MS. MEISNER: -- expert witness or the -- the witness for the bank.
THE COURT: All right.
MS. MEISNER: Not -- there was no expert witness on it.
THE COURT: Yeah. And I think they -- they said I made a mistake, because I granted attorneys' fees without following the rules. In other words, the rules that specify the six factors that attorneys have to show. And -- and that's what -- that's what I thought that was all we had to deal with today.
Now, the appraisal statute, are you -- you're obviously saying the deficiency judgment should be less than they say, or if anything at all?
MS. MEISNER: Yes, sir. In fact, and -- and I -- you know, I mean, if -- if Mr. Foerster -- and that's what I wrote in my memorandum to you, is that we could continue those items for another day. Because, when I tried to get those items held as a continuation of this so we could hear everything, there wasn't enough time in the

schedule.

THE COURT: Uh-huh.

MS. MEISNER: But those items are -- are still before the Court; they're still before Your Honor, because you continued those on November the -- the 6th. And we have not heard those -- those issues. The bank has not resolved those issues.

THE COURT: Uh-huh.

MS. MEISNER: And -- and we have not either, because again, of the -- of the interlocutory attorneys' fee remain. But -- but you're correct also, Your Honor, in that today is specifically just about the attorneys' fees. So if you want to have us heard on that, or if you want to have everything at one time, it -- what would -- what --

THE COURT: I'd like to deal with the attorneys' fees. If there's anything else, we can deal with that -- that next. But I'm just -- I -- I want -- want to be sure I'm not doing something that I don't have the authority to do. If the Court feels and says this is what you have on remand, that's what I want to do. I don't want to do

something that -- that they -- that they thought they resolved at that level.

But -- any -- anyhow, regarding the attorneys' fees, Mr. Foerster, you said that they just -- your -- your colleague just forgot to submit an affidavit or -- or it got submitted but never got made part of the record?

MR. FOERSTER: That -- that's my understanding, yeah.

THE COURT: Do you have a copy today?

MR. FOERSTER: I do, Your Honor. I have actually two affidavits I'll -- I'll present.

Two -- two for each case, Your Honor. If I may approach the bench. And I'm going to hand --

THE COURT: Yes, sir.

MR. FOERSTER: -- Ms. Meisner --

THE COURT: And have you -- Ms. Meisner, have you seen those?

MS. MEISNER: Your Honor --

THE COURT: And Mr. Bowens?

MS. MEISNER: -- I'm going to object to these, because we have not seen them.

Mr. Bowens, have you seen these?

MR. BOWENS: (Shakes head.)

THE COURT: Well -- well, you're going to see them now. And then I'll look at them and -- and -- and I may or may not make a ruling. I don't know.

MS. MEISNER: Yes. Your Honor, and -- and I'd like to -- to further object that these were not served two days' prior to the hearing as required by the -- the South Carolina Rules of Civil Procedure.

THE COURT: So -- so if I grant your request, then that delays this. Is that -- is that what you want to do, is delay it or --

MS. MEISNER: Well, no, Your Honor. It's just that, you know, I -- I don't even know what they've put in there. It's -- it's not --

THE COURT: Right.

MS. MEISNER: -- that I'm trying to be, you know, circuitous or -- or obfuscate what's going on, it's just that I don't -- I don't want to give up any rights that -- unfortunately, the whole reason that we're here is -- and not Mr. Foerster, because he wasn't on this case before. But it was some of the actions of the prior counsel that --

THE COURT: Uh-huh.

MS. MEISNER: -- you know, hiring an -- an appraiser that did not -- that did -- that worked for the bank, which is outside of the appraisal statute, then filing a motion to vacate saying that the property should be valued at the -- the amount of the mortgage. So I -- I don't think that I caused this part of why we're here.

THE COURT: So I think the court of appeals said that I abused my discretion by just ordering attorneys' fees without -- without the --

MR. FOERSTER: Affidavits.

THE COURT: The -- or the support for it, the evidence, and the issue, the factors that need to be considered before the Court makes a decision. So I accept that. But I'm going to correct that and --

MR. FOERSTER: And -- and, Your Honor, if I may, what I've handed the Court for each case are two affidavits. The first one --

THE COURT: Right.

MR. FOERSTER: -- is the original affidavit that Teri Stomski, who was original counsel of record for SCBT, N.A. in that case had prepared the day before the foreclosure, the

original foreclosure hearings back in twenty -- on April 25th, 2012. So these were prepared on April 24th, 2012. And I -- I just -- I think it was just a simple oversight that they didn't hand it up that day.

The second affidavit is from me as of yesterday, and it's attaching as an exhibit all of my law firm's billing records to SCBT, N.A. now known as South State Bank --

THE COURT: Uh-huh.

MR. FOERSTER: -- for this file. However, you'll see there's redactions within those billing records for matters that I believe are attorney-client privileged or subject to the work product privilege. So I'm claiming the privilege as to those redacted portions. But, the rest, I've submitted to verify what's in Ms. Stomski's affidavit.

In my affidavit, it testifies how these records were pulled and prepared and -- and how my firm makes sure -- makes sure that they're accurate. So that's -- that's what I would offer in each case to support the award of attorneys' fees from the 2012 judgments.

THE COURT: All right. It looks like I'm going to

have to -- I can't just look at this and make a decision today. I'm going -- I'm going to take that issue under advisement. And I'll -- and I'll look at the affidavits. And give you a chance to look at -- do you want a chance to respond to that?

MS. MEISNER: Yes, sir. Because I don't -- I -- I -- you know, with the redactions, it's really hard, I mean, to -- you know, he didn't provide a copy in camera for you to evaluate. I'm not sure --

MR. FOERSTER: I can do that right now.

THE COURT: Okay.

MR. FOERSTER: Yeah.

THE COURT: Well, don't get them right now. I'll ask for it later --

MR. FOERSTER: Okay.

THE COURT: -- if I think I need it.

MR. FOERSTER: Sure.

THE COURT: But the redacted portions, I mean, they're -- if it's privileged, it's privileged. But I'm not sure I'm supposed to consider it, you know -- you know, things that -- that -- that are protected by privilege, so I don't know. But...

MS. MEISNER: And -- and, Your Honor, and I would just note that many of these fees are -- are after the sale of the property, and --
THE COURT: Uh-huh.
MS. MEISNER: -- would not be available to them under the contract after the foreclosure sale --
THE COURT: Uh-huh.
MS. MEISNER: -- based on the fact that much of the -- the -- after -- much of this was caused by them, previous counsel's --
MR. FOERSTER: Your Honor, to respond to that, I believe in Civil Action 6317, the Court had awarded 6,000 in fees.
THE COURT: Uh-huh.
MR. FOERSTER: And -- and what these records will show for that case is that our actual fees from the date of the deficiency sale were about $6,800, so more than what the Court had ended up awarding. Our fee -- our fees through the start of her appeal were $16,000. In Case Number 6318, I believe the Court ordered $8,000. If you look at these records that I've just submitted, our actual fees from the date of the deficiency sale on July 5th,

2012 --
THE COURT: Uh-huh.
MR. FOERSTER: -- were actually $9,130. And our fees through the beginning of her appeal were actually $18,000. So I think these records are just offered in support -- offered to show that the amount that the Court awarded was -- was less than what was actually even incurred. So I -- I think that these are adequate to support Your Honor's ruling as to attorneys' fees in this issue.
THE COURT: All right.
Mr. Bowens, anything to add?
MR. BOWENS: No. We just -- I'm representing the LLC group. Just joining in Ms. Meisner's arguments.
THE COURT: Okay. I'm not going to rule today on -- on the attorneys' fee issue.
MS. MEISNER: Your Honor, may I say one more thing regarding --
THE COURT: Yes, ma'am.
MS. MEISNER: -- attorneys' fees? And I apologize.
You know, on the remand, this is all about what happened at the trial. And they did not

present the affidavits two days' in advance of the thing. In fact, if you look at the hearing, the original hearing, Ms. Stomski presented those documents the day of the trial to my counsel. We have never seen them, we have never had a chance to review them. So none of the affidavits are actually available for -- for a ruling on attorneys' fees, because they -- they didn't follow the rules from -- from before, from the day of the trial.

MR. FOERSTER: Your Honor, I'll just respond that these are affidavits from the attorneys who are here at counsel's table to support the award of attorneys' fees to show how much the clients actually incurred. I -- I'm here today. I can get up in the witness stand, if you'd like me to, Your Honor, and -- and testify to the same thing in -- in my affidavit.

THE COURT: Yeah. I'm -- I'm --

MS. MEISNER: I would join him -- I would enjoy him going up there.

THE COURT: Well, I'm not going to do that. I'm going to -- I'm going to take it in

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advisement. I'm going to read them, and -- and I'll make a decision based on what's been submitted in writing. You didn't have time to look at it. You can -- how much time -- how much time do you need to respond? You want a -- you want a week or a month or...

MS. MEISNER: Yeah. I would need -- I would need probably 30 days --

THE COURT: Okay.

MS. MEISNER: -- Mr. Bowens said. And, Your Honor, I do want to continue the -- the request that the hearing that was scheduled for November 6th, that we did not have the court reporter for that you continued, to still -- it's still within the purview of the --

THE COURT: That was November 6th of two thousand --

MS. MEISNER: '12.

THE COURT: 2012. That was more than three years ago, going on four years ago. And why -- and what -- what happened since 2012 that I'm -- I'm just now being reminded of that?

MS. MEISNER: Well, Your Honor, the interlocutory

appeal of the attorneys' fees is -- is -- the final judgment or the final deficiency for both Sand Dollar and myself, includes those figures. So, there was, you know, no reason to do that. Plus, I think that they had a change in counsel. They just withdrew their motion for -- to vacate.

THE COURT: Uh-huh.

MS. MEISNER: That was last summer that they withdrew their motion to vacate.

THE COURT: Okay.

MR. FOERSTER: I believe it was 2014. I'm sorry.

MS. MEISNER: Was it?

In any event, the -- the -- you know, the -- the hearing was continued. I mean, they --

THE COURT: And then nobody ever said anything since then is I guess what you're saying?

MS. MEISNER: Well, again, Your Honor, the interlocutory appeal was -- was still there, and it's still in -- you know, involved. The -- the final judgment and the final deficiency, and the order of reference. As I mentioned earlier, you maintained jurisdiction over all matters that were not -- in fact, you

said after -- after the sale, you maintained jurisdiction over -- well, we can look at the order of reference.

THE COURT: Right.

MS. MEISNER: But you -- you did maintain jurisdiction. So you -- you still have jurisdiction over -- over those issues. And the bank has never provided the appraisal. They only gave -- they only offered as the value of the property the amount of the mortgage.

MR. FOERSTER: Your Honor?

THE COURT: Yes, sir, Mr. -- Mr. Foerster.

MR. FOERSTER: I'm sorry. I -- I mean, I think the bank's ready to -- to get started with the appraisal procedure as well. And we're ready to select our appraiser. It's my understanding she selected her appraiser, and the Court will just select a third, and they'll get together, is my understanding, and --

THE COURT: Yeah.

MR. FOERSTER: -- pick a value.

THE COURT: Except -- now, the expense -- you know, the rule -- the rule is kind of

antiquated. And it talks about where they have $2.00 or something like that?

MR. FOERSTER: Yeah.

THE COURT: Yeah. We're going to have to deal with that. I'll -- I'll reserve the right to -- to make that -- make that a little more modern, a little more realistic. Let's put it like that.

MS. MEISNER: Yes, Your Honor.

THE COURT: If -- if -- unless y'all can negotiate this. Now, there's no reason y'all can't -- y'all can't talk to one another and work out a deal. I mean, I think Ms. Meisner, your point is that you don't think you owe anything as far as --

MS. MEISNER: Well, I'm not sure. I'm not sure what is owed by either me or Sand Dollar. I mean, that's still to be determined by you, Your Honor.

THE COURT: Yeah.

MS. MEISNER: The -- you know, the bottom line of this is that we did the appraisal. We paid for appraisals, two appraisals, already. We've gone through that.

THE COURT: Yeah.

MS. MEISNER: We did all that work. And the bank did not follow the statute. And then -- and then, instead of following the statute, as it -- under the property -- under South Carolina law, they can say what they valued the property at. And they valued the property at the mortgage.

THE COURT: Is there any chance of settling this thing?

MS. MEISNER: I mean, that's up to them.

THE COURT: Well, what -- what do you mean by that? I mean -- in settlement, both sides tend to -- tend to compromise.

MS. MEISNER: Oh, yeah; oh, yeah. I'm absolutely open to any compromise. I -- I don't want to be here now. I want to spend time with my four kids. I don't want to be working on this.

THE COURT: Yes, ma'am. All right. Well, I'll -- I'll take the attorneys' fees issue under advisement. And you said you want 30 days to respond, so that would be roughly the 1st of September. I would say September -- September 1st is a Thursday. Do you want to do it September 5th? Oh, that's a

holiday. I'm sorry. September 1st would be better.

MS. MEISNER: Ooh, not --

THE COURT: Yeah. September 1st. Either respond and I'll make a decision pretty soon after that.

MS. MEISNER: Let's not do that.

THE COURT: And, as far as the appraisal statute, let me -- let me take that under advisement as well and not rule on anything today. And give y'all a chance to talk. Between now and then you can always resolved this outside of court, so...

MS. MEISNER: Yes, sir. I hope we can. Would you like us to brief both the appraisal statute and the motion to vacate the sale again?

MR. FOERSTER: There's no pending motion to vacate.

THE COURT: I was going to say. The motion has been withdrawn.

MR. FOERSTER: Yeah.

THE COURT: The appraisal statute, you can -- if there's anything -- are there any new cases on the appraisal statute, I would say newer than

the last couple of years?
MS. MEISNER: Well, there have been -- there have been cases on setting aside the sale regarding motions to vacate. And those cases where the bank has offered the amount of the mortgage as the value of the property. The Court has said, yes, that that is a valid determination of the value of the property. And I can get you those cases.
THE COURT: Okay. Well, I -- then if you can -- if you can brief that issue.
You want to -- Mr. Foerster, you want to look at what she says and then --
MR. FOERSTER: I'll look at it. Your Honor, this case has been up to the United States Supreme Court at this point. I'm trying to not to have to spend any more of my client's money to litigate motions that have been withdrawn. So that's my only reservation with having to respond is --
THE COURT: Did the United States Supreme Court hear it? They didn't -- they didn't hear it?
MR. FOERSTER: They denied her petition.
THE COURT: Okay.
MR. FOERSTER: You know, it's just -- but it's

been -- we've spent so much money in the appellate process. But we're just trying to do whatever we can to -- to get it over with and --

THE COURT: Well. Y'all might want to settle it.

MR. FOERSTER: Yeah.

MS. MEISNER: And, Your Honor, thank you again. I just wanted to reaffirm that it -- withdrawing the motion. To further make that objection, withdrawing the motion does not withdraw the argument. He's still judicially estopped from withdrawing the argument.

THE COURT: Well, wait a minute. Throughout the argument, do you mean the issue or the argument itself? I'm -- I'm confused.

MS. MEISNER: Well --

THE COURT: I mean, they can say whatever they want to --

MS. MEISNER: -- the valuation of the -- the valuation of the property. He has -- he has made an assertion to the Court and said that the value of the property is the mortgage amount of the property.

THE COURT: Right.

MS. MEISNER: And so, if he's made that assertion,

then that should be --

MR. FOERSTER: I -- I can argue that issue right now. She's arguing judicial estoppel. Judicial estoppel applies to statement of facts. She's talking about conclusion of the law that was made in a brief. It does not apply to conclusions of law. And I've got a black-letter law that says that.

THE COURT: Uh-huh.

MR. FOERSTER: So, I mean, we -- we -- we can argue about that issue right now, if we want to.

THE COURT: Well --

MS. MEISNER: Well, I think we need to brief it, because the -- the conclusions of law, that is not a conclusion of law. You argued a fact that the property was valued at the amount of the mortgage. That was the fact you argued. So we -- we will brief it for you, Your Honor.

THE COURT: All right.

Mr. Foerster?

MR. FOERSTER: Your Honor, I -- I can argue it right now. I've got the motion. It's citing the law; it's citing some case law. And she's -- she's latched onto this language.

THE COURT: Yeah.
MR. FOERSTER: And -- and this withdrawn motion to vacate the sale, whereby we cite some language that said the amount of the mortgage is a fair gauge of the property's value in the hands of the buyer. And it's citing to Arrow Bonding Company vs. Warren. That is a conclusion of law made by an appellate court, and so we can't be judicially estopped based on a conclusion of law. It -- that wasn't a statement of fact. It's been withdrawn. Further, what is the second? There has to be two inconsistent statements of fact made in the same proceeding. Where is the second one? The appraiser is going to -- is who is going to set the -- the value of this property.
THE COURT: Uh-huh.
MR. FOERSTER: It doesn't matter what we think the value of the property is. It doesn't matter what she thinks the value of the property is. The appraisal board is going to set the value of the property for purposes of determining deficiency. And that's -- that's all that's going to matter.
THE COURT: Okay.

MS. MEISNER: And -- and, Your Honor, I will say that -- that there are two separate and distinct events. The first event was when they gave the loan. They made a value determination of the property when they gave the loan. As a commercial loan, they only value -- they only loan 70 percent of the value. So the first appraisal, the first valuation of the property was when they initially gave the loan.

They went to the foreclosure sale and underbid. The specific intent of the legislature is to prohibit banks from doing exactly what they did, which is go to the -- ask a deficiency from me, because I have other assets; go to the -- the sale and get a low-ball property. Resell it, and make the money on that; get their money back from me twice. So they're -- they're -- they're arguing -- and when Mr. Foerster -- I know you probably weren't here when the initial time is. And I know my time is almost up.

However, the bank specifically argued to vacate the sale. The vacation. The -- the argument to vacate the sale was that it

was -- it was underbid. But they're the ones who did it. They underbid. They're the ones who underbid.

THE COURT: So you're saying even though they withdrew their motion --

MS. MEISNER: They didn't withdraw their argument.

THE COURT: Which means what? Which is -- so I have to -- they're not asking for -- a -- a motion is a request for a court order. They're not asking for a court order on that issue. And I don't understand when you say they haven't withdrawn their argument. I don't understand, quite frankly, just to be blunt about it.

MS. MEISNER: Well, they -- they made a motion to withdraw the sale, to vacate the sale.

THE COURT: Right.

MS. MEISNER: And, in that motion, they -- they put forth a memorandum of -- of -- of their position saying that other courts have found that the mortgage is a fair value, and that their argument for the vacation of the sale was that I underpaid for the property's -- not me, but the other store, LLC, under -- underpaid for the properties, and

that it should be valued at the mortgage amount.

THE COURT: All right. But they -- they -- they withdrew that motion, so...

MS. MEISNER: But they didn't withdraw the argument for the valuation. And -- and if -- if they saying now that they're withdrawing the argument for the valuation, I would say that that could be a fraudulent pleading, because you cannot -- you cannot make a representation to a court and then change your mind, and say, oh, well, wait. We take that back. Let me take that --

MR. FOERSTER: People amend pleadings all the time.

THE COURT: No, no. Hold -- hold on. Hold on one second. No. You're -- you're actually -- you're bound by the pleadings. And I understand where you're coming from on that. But -- but, again, a motion is -- to be pretty basic about it, is a request for a court order. They've said to the Court, we don't need an order on this issues, and they've withdrawn it. And I don't -- I really don't understand your position that you still

need to address that issue, because -- because they argued it in a -- in a motion that they've since withdrawn.

MS. MEISNER: Well, Your Honor, then I would ask to amend the complaint. It's still before you. To -- to add an abuse of process, because they failed to remove the lis pendens in the two years' pending. So, I mean, they're -- they're -- this is a can of worms that -- that they unfortunately have opened.

THE COURT: You mean -- but --

MS. MEISNER: But they have argued to the Court --

THE COURT: Well, would it have been the answer or the complaint?

MS. MEISNER: Well, a cross-complaint. Yeah, the answer that has a -- a --

THE COURT: You mean -- you mean a counterclaim or a cross-claim?

MS. MEISNER: A counterclaim.

THE COURT: And you want to amend your counterclaim?

MR. FOERSTER: We're post-judgment, Your Honor. I don't -- I don't know if she can amend it.

MS. MEISNER: We're not post-judgment. We're here before him to get the final judgment. And the

deficiency is still, you know, before the Court, because --

MR. FOERSTER: The rest of the judgment was affirmed on -- on all issues.

THE COURT: Yeah, yeah. But -- well, I'm not going to -- if she wants to -- if Ms. Meisner wants to make that -- wants to make a motion to that effect, I'll -- I'll certainly entertain it. And you want to amend the counterclaim, your counterclaim?

MS. MEISNER: Well, Your Honor, it -- you know, if he's saying that -- that they're not allowed -- that they are allowed to take back what they value the property at and just pull it back out as if it didn't happen by vacating their -- by withdrawing their motion, then I would -- then I would think that a -- an abuse of process would be in place, because they left the lis pendens there for two years.

THE COURT: I think -- I think you might have a separate lawsuit, quite frankly. If that's what your -- is that what your purpose is, to amend the counterclaim. Because, you know, because the pleadings have already -- everything's been joined.

It's actually been up on appeal. But I don't -- but I don't know. You know, maybe you can write a brief on that too. It sounds like you have another case. And -- and so I think in asking for an abuse of process in this context would be actually a separate lawsuit.

MS. MEISNER: Well, Your Honor, the -- the reason that it would need to be brought in this case is because they actually named my other company, South Carolina Operating Room Equipment --

THE COURT: Uh-huh.

MS. MEISNER: -- in addition to Sand Dollar 31. And, in the filings, if it's brought up in another case, there may be a -- a statute of limitations issue, which the Supreme Court has said, if there's any issues with statute of limitations, then modifications to the pleadings should be allowed in the current --

THE COURT: Well --

MS. MEISNER: -- litigation.

THE COURT: Well, this is -- this -- but the case is over. I mean, for -- for most practical purposes. And the -- the case was filed what

time? What year?
MR. FOERSTER: I believe 2011.
THE COURT: 2011. So five years later after the -- it's been in the appellate court, you're saying you want to amend your pleadings so that's an abuse of process, because they withdrew a motion that you opposed, right? You opposed that motion; is that correct?
MS. MEISNER: We did oppose the motion. But we never heard -- had the hearing on it based on the -- you know, we -- we had the hearing, but the court reporter was not here, as -- as we -- you know, we mentioned that we wanted to have the hearing again.
THE COURT: And the -- and the -- but the motion to vacate, that's -- that's what you're looking for another hearing on? On that?
MS. MEISNER: Yes. The motion to -- to -- the -- the argument for the appraisal statutes. Now, what Mr. Foerster would like to do is because we have had a downturn in the economy and the properties are probably worth less, he would like to say, well, let's just reappraise it. That requires more money and -- and everything on my part.

And the appraiser that they chose was someone that worked for the bank routinely on the commercial side, which is, if you look at the statute, it's absolutely not allowed.

THE COURT: Now -- now, you got my attention saying "abuse of process." You want to amend your counterclaim at this stage to allege abuse of process. I think that's a -- that's a separate cause of action. But you said that you don't want to do it separately because you think the -- the statute of limitations would be tolled if you did it in the same action. I don't know if that's true either.

But -- but -- but, anyhow, as of today, I'm going to take the motion with regard to attorneys' fees under advisement, the issue about attorneys' fees under advisement and -- and I'm not going to rule until I hear from you on the 1st of September, Ms. Meisner. And -- and, as far as the other issues, I'm going to -- I'm going to deal with that at a later time. Let me -- let me ask you both, though, to -- to keep me -- after we rule on this attorneys' fees issue, to let me know when y'all are ready to hear and deal with the

EXHIBIT 354

appraisal statute issue.

MS. MEISNER: Yes, sir. And I've actually already filed a motion for that, that was not scheduled.

THE COURT: Okay.

MS. MEISNER: And Mr. Foerster should have received a copy of that.

MR. FOERSTER: What's it called?

MS. MEISNER: It's base -- I don't -- I don't have it with me. It's a -- a motion to hear the -- the other items pending under -- for the sale. I -- I don't know. My brain's a little foggy right now.

MR. FOERSTER: Your Honor, the only thing pending is her petition for her appraisal rights, Your Honor. That's -- that's it.

THE COURT: Okay. So we'll deal with that.

MR. FOERSTER: Yeah.

THE COURT: And, again, don't lose sight of the fact you can always settle this before you get back.

MS. MEISNER: Yes, sir. Your Honor.

THE COURT: Okay.

MS. MEISNER: Your Honor, thank you for your time today.

THE COURT: Oh, you're welcome. I appreciate it.

(WHEREUPON, there being nothing further, the trial adjourned at 2:30 p.m.)

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COPY

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	CASE #: 2011-CP-40-6317 2011-CP-40-6318
South Carolina B&T, NA,	)	
	)	
Plaintiff,	)	
v.	)	**STATUS CONFERENCE**
	)	
Sand Dollar 31, LLC; Rhonda Meisner,	)	
	)	
Defendants.	)	

Monday, August 13, 2012
8:59 a.m. to 9:09 a.m.

The status conference with the Honorable Joseph M. Strickland, Master in Equity for Richland County, was taken in Courtroom 2D of the Richland County Judicial Center, 1701 Main Street, Columbia, South Carolina, on the 13th day of August, 2012, before Robin K. Reibold, Court Reporter and Notary Public in and for the State of South Carolina.

APPEARANCES:

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THE COURT: This is a status conference regarding two cases, 2011-CP-40-6317 and 2011-CP-40-6318. I think we're at the stage in those cases where we're going through the appraisal process?

MR. BOWENS: That's correct.

THE COURT: Before a deficiency. Mr. Bowens I guess is pursuing this by the book, by the statute. As a practical matter, normally we would do it a little more informally than the statute would require. So typically what we do is we let each side pick an appraiser, and if the appraisers can't agree then I'll pick one and they'll come to some sort of a resolution. Is that a problem, Mr. Bowens or Ms. Stomski? Is that a problem for either of you?

MR. BOWENS: Not for me, Your Honor.

MS. STOMSKI: Your Honor, we'd just, you know, look again to the statute. We don't have any particular issue, but we would just look to the statute for ...

THE COURT: Okay. And, of course ...

MR. BOWENS: We've appointed our, nominated our person. I don't know if you've had a chance to nominate ... the bank's had a chance to nominate somebody yet.

MS. STOMSKI: Well, and Your Honor, we would ... I was just looking, going, based on the statute, and it says as soon as the order is served on us that there

will be the appraisal. Then when that's granted, then we have ten days upon the service of that order. So really I was just waiting to kind of see what the Court was going to do ...

THE COURT: Do you prefer the more formal process?

MS. STOMSKI: Well, I mean, I was just ... without any other guidance, I was just going by the statute.

THE COURT: Okay, that's ... no, that's fine. I understand now. Yeah, that's fine. But I think you're okay to go ahead and get somebody, and have your appraiser and Mr. Bowens' appraiser get together. And if they can't agree, then the Court will appoint somebody. And my experience is that most ... first of all, in the time I've been here very few people exercise their rights under the appraisal statute. I think now, with more and more commercial foreclosures, people are starting to do that. And also, as a matter of history, most of these things get resolved once the appraisers get together. So, anyhow, that's how we're going to proceed I guess. Can you get somebody this week, Ms. Stomski?

MS. STOMSKI: Yes, sir, absolutely.

THE COURT: Okay. And y'all can work on that. And again, if the appraisers don't agree, then I'll get

involved. Okay. Well, that's ... who's your appraiser, Mr. Bowens?

MS. STOMSKI: Angela Buckley is what ...

MR. BOWENS: Angela Buckley.

THE COURT: Okay.

MS. STOMSKI: And the one thing I'd noticed, Your Honor, I know we'll be doing this more informally, but under the statute it just said that it needed to be disinterested, and I noticed in her petition she didn't note that. And I just wasn't ... I just wanted to make sure before we start this, so it doesn't get expensive and have to pick new appraisers, that it is a disinterested party who's never done an appraisal on this property for Ms. Meisner before.

MR. BOWENS: Yeah, I don't think she's done an appraisal on this property before.

THE COURT: You can just ask, to double check. I don't think she's done work for this Court as well before, so. But okay, anything further?

MS. STOMSKI: The only thing I was going to mention, Your Honor. When I received your bid compliance package and etcetera about the sale, it was the first that we were aware that the winning bidder was an agent of Ms. Meisner's. We weren't aware of that until we

saw your order that stated such.

THE COURT: Okay.

MS. STOMSKI: And so really, at this ... we're kind of ... we're finding ourselves in an interesting position. Ms. Meisner's actually the one who bid on the property, and bid it at the price that she did. And now she's coming to court and putting in her petition that it was for a figure significantly beneath its appraised value. So we find ourselves in an interesting position, where the winning bidder is not the bank but Ms. Meisner. So Ms. Meisner's saying, I'm getting this property at this low price, but on the other hand I'm saying that the figure's significantly beneath its appraised value; so I'm getting the property with great equity on one hand, but I'm also looking to the Court to diminish my deficiency judgment. So it seems somewhat of a double-dipping or perhaps an inconsistent position that she's coming to the Court. And so we find ourselves in the position of wondering, you know, is she going to abandon one of those positions since they're in conflict, or is she going to put us in a position where we need to seek to have the sale vacated.

THE COURT: Mr. Bowens?

MS. STOMSKI: Because ...

MR. BOWENS: This is new to me too. I don't know ... she has a right to the appraisal. I don't think it ... whether she or her agent was a bidder at the sale, I don't think that negates her right to the appraisal.

MS. STOMSKI: And what I'm saying is, since she's coming to a court of equity with conflicting positions, not necessarily that she doesn't have a right to the appraisal, but it might therefore require that the sale be vacated so that she then, you know, we'd put it back up for bid. If it is so significantly under the appraised value, as she stated in her verified petition, then it seems at odds.

THE COURT: Okay. Let me back up a bit. You're saying that there may be a need to set aside the sale and just have it sold again, based on the fact that the mortgagor was in fact the successful bidder and is now taking the position that only, typically only third-party bidders do. That's an interesting point. I've never had that issue presented to me before; it's never come up. Again, as I said earlier, not that many people exercise their rights under the appraisal statute. They haven't until recent years. I'm not sure what to do. Are you aware of any cases that have the same scenario?

MS. STOMSKI: We've got a case, Your Honor. It's *Wells Fargo v. Turner*. It is 37 S.C. 147. It's a 2008 case. And it does talk about when a sale is accompanied by other circumstances warranting the interference of the court. A judicial sale can be set aside in that circumstance or when the sale price is so gross as to shock the conscience. And in that situation, Freeman, one of the individuals involved in the sale, did bid in at a low cost, was found to be aware of the note and the mortgage value, etcetera, and therefore when ... at bidding at the low price, it was significantly less, etcetera, so. We're not necessarily looking at it from a price so low to shock the conscience as much as somewhat of a deliberate scheme on the part of the defendant borrower to bid in at a lower price and yet then also seek to have a deficiency lowered, with conflicting positions. So, but the court does talk about this in terms of, if you're going to come in and bid lower, significantly lower, and your position is that you would ... she can't arguably say she wouldn't pay more for this property than she already has. And so based on that, we have some concerns that how she can come with those conflicting positions. And to be honest, until I

received your order on Thursday, I didn't realize that she was the winning bidder.

THE COURT: Who was the bidder, the winning bidder?

MS. STOMSKI: Kevin Nowell, N-O-W-E-L-L.

THE COURT: And he's with ...

MS. STOMSKI: It says, As agent for Rhonda Meisner.

THE COURT: And he was working for her or working with her or?

MS. STOMSKI: I'm not certain. I just read what was in the Master's Report on Sale and Order of Confirmation. That was the first I realized there must be some kind of connection between the two.

THE COURT: Mr. Bowens?

MR. BOWENS: I really don't know about that issue, with who he is and what his relationship is to Ms. Meisner. Maybe we can just go ahead and have the appraisers do their work and see where that comes out. That might make the whole issue moot. If not, then maybe just vacate the bid that she made and leave the bank's bid as the bid.

THE COURT: All right, Ms. Stomski, did we ... has the successful bidder complied with the bid, as far as you know? I'm trying to save a trip down to get Susan. If you remember.

MS. STOMSKI: I'm not certain. I'm looking at the

Statement of Disbursements that is dated July 23rd. Again, I'm sorry, Your Honor, I just got this on Thursday. It says, Receipts only five percent of the bid, yes, $9551.95.

THE COURT: Which sale was it, do you remember?

MS. STOMSKI: I'm looking at this ... she was the winning bidder on both. But it ... I see that there's a total due, but I don't see necessarily that there's been a full compliance. I see the five percent of the bid appears to have been received.

THE COURT: Okay. And the sale was ... you don't remember which sale ...

MS. STOMSKI: I'm sorry, Your Honor, it was July 5th. I'm sorry.

THE COURT: July sale. Okay. Okay. Now, the initial judicial sale was July 5th, or was that the deficiency sale?

MS. STOMSKI: That was the ...

THE COURT: Deficiency sale?

MS. STOMSKI: That was the deficiency sale, yes, Your Honor.

THE COURT: Okay. I'm going to ask Mr. Middleton to go round up Ms. Golston, who keeps track of all this stuff for me. And I'm more interested in seeing, I guess from what we sent out ... well, if we already

sent out our Report on Sales and Disbursement, that means the bid was complied with.

MS. STOMSKI: I would imagine, Your Honor. I just ... I don't know for certain.

THE COURT: Now, how does that prejudice your client though?

MS. STOMSKI: As far as the ...

THE COURT: Well, you point out that ... I think your argument was that Ms. Meisner has conflicting positions. If she's the third-party bidder and then she's also claiming that she's entitled to a lower deficiency judgment, if at all I guess is part of their argument, how does that prejudice your client?

MS. STOMSKI: Well, from a double-dipping standard. She ends up with the property with an equity. She ... but then at the same time wants the deficiency ... I mean, she borrowed money and, but she wants that amount diminished, but then also takes the property back.

THE COURT: Okay.

MS. STOMSKI: And it's a deliberate scheme to extinguish the mortgagee's lien ...

THE COURT: Okay.

MS. STOMSKI: ... with those conflicting positions.

THE COURT: Mr. Bowens?

MR. BOWENS: I think we have to remember that the bank made one bid, and they could have bid higher. But secondly, Ms. Meisner, in her personal capacity, is not the borrower; Sand Dollar's the borrower. So Ms. Meisner was the guarantor on those. So if she is buying in her personal capacity, then that's ... she wasn't the owner; Sand Dollar was the owner. So I don't know that that makes her double-dipping or anything. And Sand Dollar didn't re-buy it.

THE COURT: Ms. Golston reports that the bid was in fact complied with in full, so she's back to being the owner. What we didn't know, Susan, was that Mr. Nowell was actually working for Ms. Meisner. You have no record of that?

MS. GOLSTON: No.

THE COURT: Okay. That's interesting. Because apparently he ...

MS. GOLSTON: I found out about it after the bid.

THE COURT: Oh, after the bid you found out?

MS. GOLSTON: I didn't know when he bid.

THE COURT: Okay, now we know?

MS. GOLSTON: Yes.

THE COURT: Okay. All right. Thank you. Well, I mean, do you want to set aside the sale and do it again, Ms. Stomski? Just send us a ... we normally do that

as a matter of course unless, Mr. Bowens, if it's going to prejudice your client in that respect, because she's back being the owner of the property and she's now fighting over whether or not she should pay them on a deficiency judgment. Is that your request, or are you going to talk to your client about that, Ms. Stomski?

MS. STOMSKI: I spoke to them briefly on Friday. And we did have concerns about that.

THE COURT: Okay. Well, if y'all decide to ask that we set aside the sale, file a formal motion, a Motion to Set Aside the Sale, and maybe a short brief, five pages or less, explaining why. And I guess, Mr. Bowens, we'll give you a chance to respond. Now, all this is going to be taking place against the backdrop of the appraisers doing their work, unless y'all want to wait until I make a ruling on the motion to set aside the sale. Mr. Bowens?

MR. BOWENS: Well, we're going to have to have it appraised anyway, so I think we'll just go ahead and have the appraisal done. Whatever happens with the set aside, our appraisal's going to be done anyhow.

THE COURT: All right. Ms. Stomski, how does that suit you?

MS. STOMSKI: That's fine, Your Honor.

THE COURT: Okay.

MS. STOMSKI: It seems like that would keep things moving along because we certainly don't want to create any delay.

THE COURT: Yes, ma'am. All right. So Ms. Stomski's going to submit a motion to set aside the sale after consulting with her client. And Mr. Bowens' position, and I think I agree with it, to have the appraisers go ahead and do their job. And hopefully, like I said, most of these things get resolved without my input, but if the appraisers can't agree then the Court will appoint somebody. All right. Anything further today?

MR. BOWENS: No. that's it. Thank you, Your Honor.

MS. STOMSKI: Thank you so much.

(There being nothing further, the conference was concluded at 9:09 a.m.)

CERTIFICATE

I certify that the foregoing transcript, consisting of 14 pages, is a true, accurate and complete transcript of the status conference taken before me, Robin K. Reibold, the undersigned Court Reporter. This status conference was held with The Honorable Joseph M. Strickland, Master in Equity for Richland County, on August 13, 2012, in the within-captioned case.

Said hearing was reported using the method of Stenomask with backup and was transcribed by me.

November 21, 2012

ROBIN K. REIBOLD
MY COMMISSION EXPIRES: 4-28-2021

Official Court Reporter
Master in Equity, Richland County
1701 Main Street – Post Office Box 192 (29202)
Columbia, South Carolina 29201

COPY

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF RICHLAND)	CASE #: 2011-CP-40-6317 2011-CP-40-6318
South Carolina B&T, NA,)	
)	
Plaintiff,)	
v.)	
)	
Sand Dollar 31, LLC;)	**MOTION TO ALTER OR AMEND**
Rhonda Meisner,)	
)	
Defendants.)	

HEARING

****

Wednesday, July 18, 2012
4:09 p.m. to 4:37 p.m.

The hearing before the Honorable Joseph M. Strickland, Master in Equity for Richland County, was taken in Courtroom 2D of the Richland County Judicial Center, 1701 Main Street, Columbia, South Carolina, on the 18th day of July, 2012, before Robin K. Reibold, Court Reporter and Notary Public in and for the State of South Carolina.

Official Court Reporter
Master in Equity, Richland County
1701 Main Street – Post Office Box 192 (29202)
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EXHIBITS

(There were no exhibits marked.)

Official Court Reporter
Master in Equity, Richland County
1701 Main Street – Post Office Box 192 (29202)
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449
371

THE COURT: This is Civil Action Number 2011-CP-40-6317 and Civic Action Number 2011-CP-40-6318. We've already had a judicial sale and we've already had the deficiency sale. I'm not sure, however, whether or not I signed the Order of Deficiency. Is that ... Ms. Stomski, do you remember me signing one or?

MS. STOMSKI: We haven't at this point because I knew this motion hearing was pending.

THE COURT: Okay. Mr. Bowens, wouldn't it be better to pursue appraisal rights rather than trying to set aside the judgment, especially since the deficiency hasn't been established yet?

MR. BOWENS: Well, that's where maybe some of the confusion we've just talked about may have come in.

THE COURT: Okay.

MR. BOWENS: In our counterclaim we had asked for a declaratory judgment as to the amount of the deficiency that she could be held personally liable for under the guaranty agreement. And at the end of the hearing in April, I was about to bring that up about the deficiency, but I believe you were saying that we were going to have to have the sale first, then the appraisal rights, then I thought we'd come back to that.

THE COURT: Yeah.

MR. BOWENS: Well, in the meantime this order came out that had these amounts in here for $43,000 and $63,000 and some-odd, which exceed the amount that Ms. Meisner claims she could be held liable for personally. And once that was entered and filed I thought, well, I've got to file a motion to alter or amend to ... within the ten days to correct that before we wait until ... I didn't want to prejudice any of her rights by not filing a motion promptly. Ms. Stomski has raised the question about, when we were talking about I guess the timeliness of the motion, the order, the Form 4 order and the formal order that you signed were entered on May 16th. We did not get copied on that, that it was actually entered. I got the proposed order, but I did not know that it had been signed or filed with the clerk, to start the ten-day clock. Ms. Meisner was sent a letter directly by Ms. Stomski's firm, with a copy of the clocked Form 4 order, which was not signed by you by the way, but it was clocked in and it had the information on there for one of the cases but not both. I think it was 6317 or 18. But the other one ... it was only one of the cases. So when she gave that to me, that was what first alerted me that it had been entered and filed. And so the very

next day I filed the motion to make sure that we were as timely as we could be. But we did not get a copy from the clerk or from the plaintiff's firm that it had been entered, so I think we're as timely as we could be for filing the motion.

MS. STOMSKI: May I just address that before we get into too many points?

THE COURT: Yes, ma'am.

MS. STOMSKI: What Mr. Bowens has not told you was that we did in fact ... well, first let me start. Per your instruction, you asked that the ... we were ready to hand up the package and you asked that it be revised to include the stipulation that we would not challenge a timely petition on the appraisal rights. And so we did revise it, and we mailed that ... emailed that to you, per your request, on May 3rd, and we copied Mr. Bowens. So the proposed order, with every figure, everything that we're here about today, was sent to him on May 3rd. You did not sign the actual Judgment until May 14th. So from the time between May 3rd and May 14th, over a week, I didn't hear from Mr. Bowens, he didn't make any comments, didn't say anything was missing or that he had any questions about it. It was filed on May 16th. Of course, the moment it gets filed, we don't

get it immediately, but we wanted to make sure ... and thankfully Mr. Bowens put this in his own memorandum to support his motion today, Exhibit One, he states ... he puts my letter in there, where I sent to him and not his client, what I have to do under the Rule. The Rule says that I have to give him written notice of the entry of the order. It doesn't say I have to serve a paper order on him. It says written notice of the entry. And the letter says, A hearing was held and judgment of foreclosure and sale was entered in the above referenced foreclosure action. That was May 17th. So our first point is, this is not timely filed. He had within ten days of written notice of the entry, and June 7th, the filing date, is not within that ten-day period. Now, I will acknowledge that inadvertently another floor, the residential floor that deals with foreclosures, inadvertently did send a form letter that went out. You can tell it's ... it's Exhibit Number Two, Defendants' Exhibit Number Two, on his memorandum in support ...

THE COURT: By another floor, you mean another department?

MS. STOMSKI: Department, yes, sir.

THE COURT: In your law firm?

MS. STOMSKI: In the law firm, yes, sir. It wasn't

signed; it did not come from me. It was in error, and we regret that that went out to Ms. Meisner and not directly to Mr. Bowens. But that was dated May 29th, and he had already had notice of it since May 17th.

THE COURT: Okay. Well ...

MR. BOWENS: If I could just make one quick comment. This letter, it's Exhibit One to my memorandum, is focused on the foreclosure sale, the date of the foreclosure sale. It does not say the order was filed May 16th. When it says that on April 25th a hearing was held, well, I was here, I knew that. And judgment was entered, I heard you say judgment for the plaintiff and we'll have a sale, which is what I thought that meant. But nowhere does it say that the Order was signed and filed on May 16th to know how many days I have. This is not written notification of the entry of the order, of the formal order. I remember you saying from the bench that judgment for the plaintiff and we'll have to set ... you said the earliest days is early June, June 4th or something. But this does not say that ... the date it was actually entered, which is what starts the ten-day clock. The first indication we had ...

MS. STOMSKI: The written notice starts the clock, not the actual ...

MR. BOWENS: Yeah, the written notice starts the clock, but that's not written notice of when the order was entered; it just says judgment of foreclosure and sale was entered, which I took that to mean when you ordered ... said that from the bench. But what starts the clock is notice of the action being signed and clocked in with the Clerk. And we didn't have any notice of that until Ms. Meisner got this letter, and she got it on or about June 6th. And then I got it the same day and filed the motion the very next day, which was within ten days of the date of the letter, which was May 29th, to Ms. Meisner. But I took this letter on May 17th, Exhibit One, to just be notification that the sale had been set for June 4th and to call if we had any questions about the sale or if it had been moved. That's how I took that letter, not as notification that the actual order had been signed and entered, to start our ten-day clock.

THE COURT: All right. And maybe I'm still in left field. I think since there's been no amount of a deficiency judgment been entered yet, I'm not sure ... but you want to alter or amend ...

MR. BOWENS: Well, what I want to do is to make sure that we have a ruling from Your Honor about the limitations of the guaranty agreement on Ms. Meisner's personal liability. That's the big issue that we have. Ms. Meisner claims that the dollar amount stated in the guaranty agreement, which was $31,140; $36,000; there's another one that's for $50,000 that wasn't part of the actual hearing when we first had it back in April but it was provided subsequently, that her maximum liability as a personal guarantor is limited to those two dollar amounts. The plaintiff has a different interpretation of that guaranty agreement, and they claim it means those amounts plus interest, costs, attorney fees, on and on, which raises it above the dollar amount.

MS. STOMSKI: And, Your Honor, if I may approach, if you'd like to see ... I've already handed it to opposing counsel. I mean, if we're going to ...

MR. BOWENS: I mean, I don't know if you want to handle that today or ...

THE COURT: Well, I was going to make a comment about it. You have a copy of the guaranty?

MS. STOMSKI: I do. But my point is, and also that I raised in my pleadings, that the Rules and the case

law on 59(e) are very, very clear. You can't raise something for the first time at Motion to Alter or Amend that you could have raised at trial. We had our witness here; Whitney Wolfman was here to be able to testify as to the guaranty. He could have cross-examined her about any limitations, what the meaning of it is. And she could have gone through step by step exactly what it says. He did not do so; he's waived his right to bring it up now for the first time in a motion.

MR. BOWENS: Well, we raised it in our Answer and Counterclaim. And when we got to the part about the deficiency judgment, once the main part was over with, I was under the impression, and maybe I was mistaken, that we were going to defer those issues until we had to stand on the appraisal money. If I was wrong about that and misinterpreted it, I apologize. But if that's the case, I would ask that under Rule 52 and 59, let me be relieved of that and have a chance to get a ruling from the Court on that issue for declaratory judgment.

THE COURT: All right. Mr. Bowens, is your client under the belief she doesn't owe any deficiency at all?

MR. BOWENS: No. She just believes that it should be limited to the amounts that are stated in the

guaranty agreement, not the total debt that Sand Dollar ... Sand Dollar's got a debt, according to the plaintiff, of $63,734.92 on one property and $43,220.45 on another. Ms. Meisner's guarantees were for $31,140 on one and $50,000 on the other one.

MS. STOMSKI: You're leaving out the part that says it's limited to the principal amount.

MR. BOWENS: Well, that's where the discrep- ... that's where the interpretation of what it means comes in, and that's why we want a declaratory judgment from the Court as to which way it goes. If the plaintiff is correct, then she's liable for the entire thing. If Ms. Meisner's correct, it's limited to just the dollar amounts. And that's what we have a dispute about.

THE COURT: Do you have a case, either of you, that would give us some guidance on that?

MS. STOMSKI: Well, it's the plain language. I mean, it very specifically ... there's no interpretation. It says it exactly, principal amount plus.

THE COURT: But the Supreme Court hasn't said anything about a similar situation somewhere?

MS. STOMSKI: It's a matter of contract. You know, they say you look at the plain language of the, as he

states in his memorandum in support, I mean, look at the plain language. It says ... it doesn't say Or; it says, Principal amount plus accrued interest thereon and all other costs, fees and expenses agreed to be paid under all agreements evidencing the indebtedness and securing the payment of the indebtedness. And all attorney's fees. I mean, it's ... it's about as plain as you can get. And, again, I will go back. He had an opportunity with the officer of the bank here. He had his client. He could have asked her questions about, What is your interpretation. We agreed that we didn't know the deficiency amount, but we didn't hold that any matter that might relate to deficiency will be held at a different time. As Mr. Bowens said, you ruled from the bench. You ruled. So there was nothing discussed that we were going to hold up the merits of the case, such as whether or not her guarantee is limited to the principal amount or principal plus costs. We had that time, and he waived it by not bringing it up.

MR. BOWENS: I disagree that I waived it because I ... the deficiency may be moot if it's zero when we're done with the whole process. If, after the appraisal's over with, it could be zero, the whole thing is

moot. But until we know the deficiency judgment amount, then we have ... then we can figure out what her maximum liability would be, which is why I thought we were going to do this separately from the main, Can they foreclose or not?

THE COURT: Do you have a Supreme Court case, state Supreme Court case that gives us guidance on this issue?

MR. BOWENS: Well, I haven't got anything on this particular ... I mean, I haven't researched that yet. But in the guaranty itself, it's a form guaranty contract, at the top of it there's two options, a Paragraph A and B. You can check one or the other. And in every case Paragraph A is checked, which appears to limit it to the dollar amount stated. Paragraph B is a much broader category. It says that, The undersigned guarantees to the lender payment and performance of each and every debt, liability and obligation of every type and description which borrower may now or at any time hereafter owe to the lender, whether such debt, liability or obligation now exists or is hereafter created, incurred and/or whether it is direct or indirect, due to or become due, absolute or contingent, primary or secondary, liquidated or ... it goes on and on and on.

MS. STOMSKI: Your Honor, we ...

MR. BOWENS: But that is the ... those are the type of debts that are interest, attorney fees, costs, that's the way we interpret this. Now, I know she has a different view of that, but that's why we need a ruling from the Court about that. And if it is ... if this creates some ambiguity as to what it means between Paragraph A and B and Four, the ambiguity is construed against the drafter, which was the plaintiff. She gets the benefit of the ambiguity.

MS. STOMSKI: Your Honor, if I may. May I approach? If he's going to get that much into detail I'd like for you to at least see it. The part he leaves out is that after A and B, it has a header right underneath it that says, The undersigned further acknowledges and agrees with lender that ... and then it goes on to five more paragraphs. I mean, clearly it's not even ... the part that she's disputing is not even on a different page. It's all on the same page that she signed. It clearly says principal amount plus accrued interest, costs, fees, attorney's fees. And she didn't raise this issue, again, you know, I don't want to be a broken record, but her time to raise this issue was at the trial. And therefore,

under many Supreme Court cases ... I cite the *Mailsource v. M.A. Bailey, C.A.H. v. L.H.* They are very definitive that a party cannot raise an issue for the first time in a Rule 59(e) motion which could have been raised at trial. He could have raised it at trial. He did not. The Supreme Court and Court of Appeals have spoken. The Supreme Court case says a party cannot use Rule 59(e) to present to the Court an issue the party could have raised prior to judgment but did not.

MR. BOWENS: And, Your Honor, again, we raised this issue for the first time in the Counterclaim, where we specifically asked for a declaratory judgment as it relates to the deficiency amount and the guaranty agreement. And when we were in the trial it was my understanding from your comments, again, if I misunderstood I apologize, but that we were going to wait on the deficiency issue until we had the sale and the appraisal done, which is why we didn't go into it at that point. The Rule 52, 59 and 60 allows the Court to make new findings, to reopen it. This was not made ... this is not a brand new issue that's come up after the judgment; it was already raised, and I thought it was being deferred until we had the ... until we knew whether it was going to be

an issue or not. I mean, if it turns out it's zero because the appraisal is higher than the high bid, then we don't need to do this. But when I got this order it made me think something had gone on I'd missed and I needed to bring it before the Court's attention. I think we should wait until we have the final thing done and see what the deficiency is, if there is one.

THE COURT: Now, let me ask. And I'm trying to make a record so please don't think I'm being simplistic or repeating myself unnecessarily. Ms. Stomski, the defendant, Sand Dollar 31, LLC, did they make any payments at all on the notes and mortgages that are at issue in this lawsuit?

MS. STOMSKI: At some point they had, but then they had, by her own testimony, they went vacant for four to five months and she stopped paying. And she admitted at the trial that she was in default and that she had not been paying.

THE COURT: When was the last payment made, do you have a record of that?

MS. STOMSKI: I can find it.

THE COURT: I have the file in front of me. I guess I could look through it as well.

MS. STOMSKI: The principal due on 6317 was due as of

November 30th of 2010, so no payments since November 30th of 2010.

THE COURT: What about the other case?

MS. STOMSKI: July 25th of 2011, so about a year on that one ...

THE COURT: Okay.

MS. STOMSKI: ... with no payment.

THE COURT: All right. Mr. Bowens?

MR. BOWENS: There's also a couple other issues. With the Order, we were supposed to receive a Statement of Indebtedness, which I understood to be a breakdown of all the specific charges they were claiming, along with an Affidavit and Statement of Attorney Fees, which we never received. And I was waiting on that and I never got it. I thought it was going to be coming separately because it didn't come with the proposed order. But in the order that they prepared, they are ... they have a category called Allowable Advances. And they call it Escrow Advance; Corporate Charges, which are undefined; Attorney Fees again; Costs of Foreclosure; and/or Other Charges, which are ambiguous and undefined. We have no way to know what those go with or what they're for. And Corporate Charges and Other Charges, they have a separate line item for taxes,

which escrow advances includes taxes. That's what escrow is for, is taxes and insurance. So without that Statement of Indebtedness and the Affidavit of Attorney Fees, I don't know how the Court or us can evaluate the propriety of these charges or the reasonableness of the claimed fees without ... I mean, you have to go to that six-factor test the Supreme Court has for determining reasonableness. And without the affidavit and the itemized statement, I don't know how either of us can ... how you can do it as the court or we can know whether to object or not. So we have some serious issues with these amounts.

MS. STOMSKI: And, if I can, Your Honor ...

MR. BOWENS: I put in the memorandum a copy of an order that you signed in a prior foreclosure on the very same property, where the attorney fees were $2900. This case is double that, and I don't know why it would be double now when it was, you know, it's over $6000 in this one and it was less than $3000 before. So I think we need that attorney fee affidavit and itemized statement of costs and the Statement of Indebtedness to figure out what the actual amounts are or should be, or what's reasonable and what's proper.

MS. STOMSKI: If I may address that. All the costs were testified to at the trial by Ms. Wolfman. She went through each of those, and he had his opportunity to ask her about that. And again, he received this proposed order at the same time you did, on May 3rd, and never raised any of these issues. As for the amount of the attorney's fees, one of the reasons this has been a very costly foreclosure for my client, relatively very low loan amounts on investment property, but we filed the Summons and Complaint ... the First Amended Summons and Complaint was filed September 27th of 2011. We couldn't get her served until December 15th, and that's when we finally got Mr. Bowens to agree. She evaded our process server. We had to pay process servers repeatedly to try to go after her. And then, right when we were going to have to face a very expensive publication, which would have added even more to this, I finally was able to get Mr. Bowens to agree December 15th. And he answered on January 19th. So we even gave him some leeway there when he actually filed his Answer on the 19th. So we ... this has been a very long process. We're on ... you know, we're getting close, you know, to a year on basically indebtedness that's, in one of

them, less than 50 and the other one less than $70,000. And so because all of this is bringing up now, the prejudice to my client is that he had the opportunity and he didn't bring it up, he didn't address any of his issues with you or me after the proposed order was sent. My understanding was that everything had been sent out. If it was not sent out, then he had an opportunity between May 3rd and when you signed, when he got our letter, any point he called me up. It wasn't until June 7th, the same day he filed his motion, which I found a bit troubling. He didn't, you know, call me and ask me. He sent an email the day he filed this motion, saying, you know, where were these things. I didn't know he didn't have them because he never objected to anything in the proposed order for all that time.

MR. BOWENS: Well, I would think that they would know what they've sent. And I had no idea that it had been forwarded to you for your review either. I thought it was just coming to me. I had no ... typically, in my experience, when one party's attorney sends something to the Court, proposed order or whatever it may be, there's a transmittal letter that the opposing counsel's copied on. There was never any of that that I saw. I didn't even know you had this

for consideration.

MS. STOMSKI: Well, Glenn, if I may, this ... I've got a copy of the email sent by Cathy Clark on Thursday, May 3rd, at 2:08 p.m. to corneliusf@rcgov.us, with a copy to gbowens@popebowens.com, and a copy to me; subject, Sand Dollar 31, LLC. And it says, Pursuant to ... the request was, Attached with the revised records of hearing and judgments of foreclosure and sale, gives both case captions, Pursuant to Judge Strickland's instructions at the hearing on April 25th, let me know if you need anything else pertaining to these two cases.

MR. BOWENS: Your Honor, there is no way to tell from that email that that was sent to you. And you're not Cornelius. Typically there is, Dear Judge Strickland, enclosed please find. By copy of this, I'm serving on opposing counsel. That is at best a cryptic ...

THE COURT: Okay.

MR. BOWENS: ... notice. I had no way to know that was conveying it to you. It's not ... your email's not on there. There's no way for me to know that. I did not know it had gone to you when they had sent it to you.

MS. STOMSKI: That's the only address that we had to

communicate with Your Honor.

THE COURT: Again, coming from left field, I would deny your motions; however, Ms. Stomski, if you could write a non-argumentative order in that regard. However, I think the appraisal rights statute is the way to go. Now, I'm sure Ms. Stomski will argue probably that that may have been waived or not timely in itself. But I would certainly give your client a chance to dispute the bank's opinion as to what the property's actually worth. And, of course, at this time we have not established a deficiency, what the amount is.

MR. BOWENS: Well, that's correct, and that's why I thought the issue of the guaranty agreement as it relates to the deficiency judgment was for a later date. That's why I ... the reason I brought this was because of the ... I got the order and was concerned about preserving her rights. What we need for our purposes is either ... is a ruling that the guaranty agreement is limited to the dollar amount, or if it's more expansive, as the plaintiff claims.

THE COURT: Now ...

MR. BOWENS: If you want to do that today, we can do it now. Or if you want to defer it till we get the deficiency judgment back and know whether we have an

issue or not, we can wait until then.

THE COURT: Okay.

MR. BOWENS: But that's the issue that's come up that we ... that's of most concern to us at this point. We have some concern with the way the order was filed and ... because it was before the sale, the order that you signed didn't say to file it and publicly index it before the sale. Those are ...

THE COURT: Was it not filed before the sale?

MS. STOMSKI: Oh, yes.

THE COURT: It was?

MS. STOMSKI: Oh, yes.

THE COURT: Okay. The reason why I'm asking that, because ...

MS. STOMSKI: May 16th. That's why we sent the letter out on the 17th, so that there was no question that it ... because you can't have a sale if there's no signed index order, and it was on May 16th at 10:55 a.m.

THE COURT: Okay.

MS. STOMSKI: In both cases.

THE COURT: Maybe with regard to the limitations and the guaranty agreement, I might benefit from a more fleshed out brief on that issue.

MR. BOWENS: We can prepare that for you.

THE COURT: Okay. In the meantime, I think y'all need to start the appraisal process. I mean, I'm very, very, how should I say ... flexible on a deadline for that.

MR. BOWENS: I think we have 30 days from the day of ... the last sale was on June, I'm sorry, July the 5th, wasn't it? I think that's when we had the final ... so it was 30 days from July the 5th of ...

MS. STOMSKI: Or was it the 3rd? No, it was the ...

MR. BOWENS: I think it was the 5th.

MS. STOMSKI: It was the 5th, you're right, in this county.

MR. BOWENS: So we have until August the 5th to file a petition for ...

THE COURT: The deficiency sale was ...

MR. BOWENS: Yeah. So we have 30 days from that day to, I think until August the 5th to file the petition for ...

THE COURT: Okay.

MR. BOWENS: So we'll do that promptly.

THE COURT: All right. And that's an issue I'm not too concerned about, but I think it would help us all if you exercise appraisal rights.

MR. BOWENS: Well, that's ... frankly, Your Honor, that's why I thought we were waiting on this issue, until

we had that ... the issue may be moot. There may be no deficiency judgment at the end of the day, so a declaratory judgment on their application of the guaranty agreement may be moot; it may not ever occur.

THE COURT: But you do want to brief it though?

MR. BOWENS: I will prepare a brief and submit it to you.

THE COURT: Okay. And so you and Ms. Stomski, y'all can exchange briefs I guess.

MR. BOWENS: Okay.

MS. STOMSKI: And, Your Honor, just so I'm clear on ... you said you want me to draft an order denying the defendant's motion to alter or amend, is that correct?

THE COURT: Exactly. In both cases, that's right.

MS. STOMSKI: Okay.

THE COURT: A brief, non-argumentative order. And then y'all please brief that other issue, the issue of whether or not the guaranty agreement is limited.

MR. BOWENS: Then we'll come back for a decision or get a decision from y'all on that issue?

THE COURT: Yeah. Either without a hearing or with a hearing. But at some point, again, at this stage even though we've had a deficiency sale, the amount of deficiency, if any, has not been determined. Are

we all in agreement on that? Ms. Stomski?

MS. STOMSKI: And, Your Honor, actually, you know, you bring up a point that might make this completely obsolete when considering what was bid. In 6317 the bid was $25,001 if I remember correctly, and in 6318 it was $10,001. I'm making sure with that. So I believe that this point is pretty moot because when you take those dollar amounts out, what's going to be owed, I think it's going to be under whatever he might allege on that. But, if I may for the record just continue my objection as to briefing the issue on the guaranty as untimely, as not raised at trial, therefore under the Supreme Court case of *Doran v. Doran* and a long line of other cases, it's not properly before the Court. If I may just preserve that for the record.

THE COURT: Sure. Duly noted. And your objection's overruled. Okay, anything further today?

MR. BOWENS: I think that's it.

MS. STOMSKI: Nothing further.

THE COURT: That's it?

MR. BOWENS: That's it. We'll brief that issue for you.

THE COURT: All right. Thank you very much.

(There being nothing further, the hearing was concluded at 4:37 p.m.)

CERTIFICATE

I certify that the foregoing transcript, consisting of 26 pages, is a true, accurate and complete transcript of the hearing taken before me, Robin K. Reibold, the undersigned Court Reporter. This hearing was held without a jury before The Honorable Joseph M. Strickland, Master in Equity for Richland County, on July 18, 2012, in the within-captioned case.

Said hearing was reported using the method of Stenomask with backup and was transcribed by me.

November 21, 2012

ROBIN K. REIBOLD
MY COMMISSION EXPIRES: 4-28-2021

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COPY

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF RICHLAND	)	CASE #: 2011-CP-40-6317 2011-CP-40-6318
South Carolina B&T, NA,	)	
	)	
Plaintiff,	)	
v.	)	
	)	
Sand Dollar 31, LLC; Rhonda Meisner,	)	
	)	
Defendants.	)	

HEARING

****

Wednesday, April 25, 2012
10:03 a.m. to 10:34 a.m.

The hearing before the Honorable Joseph M. Strickland, Master in Equity for Richland County, was taken in Courtroom 2D of the Richland County Judicial Center, 1701 Main Street, Columbia, South Carolina, on the 25th day of April, 2012, before Robin K. Reibold, Court Reporter and Notary Public in and for the State of South Carolina.

APPEARANCES

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EXHIBITS

Marked: Entered:

Defendants' Exhibit Number One 11 11
(Bank Statement in re: 2011-6318)

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~~422~~

THE COURT: The plaintiff may proceed.

MS. STOMSKI: Thank you, Your Honor. I'll call Ms. Whitney Wolfman of South Carolina Bank and Trust as my first witness.

(Witness is sworn.)

MS. STOMSKI: Your Honor, if I may, for the record and just to make sure that we're clear on the scope of the question and what we'll be talking about today, there's certain matters that the plaintiff and defendant agree are not in controversy at this point, and the only thing that we'll be taking testimony on is the amount of the debt, the foreclosure itself, and I believe those are the only matters outstanding.

MR. BOWENS: That's right.

THE COURT: All right. Please proceed.

Whitney Wolfman, being duly sworn, testifies as follows:

MS. WOLFMAN - DIRECT EXAMINATION BY MS. STOMSKI:

Q: Ms. Wolfman, please tell me your position with South Carolina Bank and Trust.

A: I'm a vice president in the special assets division.

Q: And in that role, how do you come to know about loans that are proceeding toward foreclosure?

A: They are transferred in to us when the original lender finds that there's not much else they can do

to get the loan current.

Q: So, there's not much else they can do to get the loan current; would it be appropriate to say that at that point, when they come to you, those loans are in default?

A: Yes, generally.

Q: And that's because a payment is past due?

A: In general, uh-huh.

Q: And in your department, what ... is there anything that you do to try to bring those loans current?

A: Yes. Occasionally we do try to work something out with the borrower if they can bring interest current or do some sort of renewal, we do try that occasionally.

Q: All right. Are you familiar with the loan to Sand Dollar 31, LLC, that's guaranteed by Rhonda Meisner?

A: I am.

Q: All right. Did you make any attempts in this particular transaction when it came to you to ... those types of things that you mentioned, bring it to ... anything that you could to try to bring it current, working with the borrower?

A: Yes, we did. We tried to work out basically a renewal. I don't recall the exact details. We could get those if we needed to, but we spent

several months trying to get her to pay the taxes and bring the interest current, to the point that we actually had the documents ready to sign. And I was emailed at 3:00 on the day that she was supposed to come in and sign, and she stated that she could not bring the interest current at that time.

Q: Do you recall about when that was approximately?

A: Middle towards the end of June, 2011.

Q: Okay. So not quite a year ago. And when you said you had the documents ready, what kind of documents did you have ready for her to sign?

A: The actual note modifications for each loan.

Q: Okay. And so ... and you stated that she said she was not able to ... what did you say she was not able to pay?

A: Not able to bring the ... I had emailed her the total amount due to bring the loans current so we could renew them under the new terms. And she replied, saying that she could not come up with that money at that time.

Q: And one of those I think you said included interest, correct?

A: Uh-huh (affirmative response). That's correct.

Q: And that's something that they, that a borrower would have to pay to ... I think the banking term is

you can't capitalize interest, is that correct?
A: That's correct. You cannot roll it into the loan, they have to bring it current for renewal.
Q: So if they're not able to pay it, then that puts the bank in a bind; would that be an accurate statement?
A: Yes.
Q: Okay. After you attempted this renewal, as you characterized it, were there any other steps taken to try to modify the loan or any kind of forbearance or deed in lieu?
A: Yes. We actually had your office prepare deed in lieu packages on both properties, and they were mailed to her house just ... you know, we had I think discussed that somewhat, you know, when we were talking about the renewals, and it was never opposed by the borrower, so we decided maybe we'll just go ahead, you know, get the deed in lieu done and be done with it so we don't have to go through foreclosure. Those were mailed, and we never got any response whatsoever.
Q: All right. Do you recall at some point that actually you and I discussed having to file a foreclosure?
A: Yes.
Q: Okay. At the time we filed the foreclosure, were

you made aware at some point that she was represented by counsel?

A: I don't know that I was.

Q: Okay. Were you aware that Rogers Townsend, that I specifically, was having a discussion with borrower's counsel about trying to see if there was any way to resolve it once he was employed?

A: Yes.

Q: All right. Was anything able to be accomplished at that point to be able to resolve it?

A: No.

Q: Okay. Did you prepare today a validation of debt that states the entire, a verified statement of the account on this loan?

A: I did.

Q: And do you have a copy with you?

A: I don't. Sorry.

MS. STOMSKI: Your Honor, if I may, this is her folder; may I allow her to review it?

MR. BOWENS: Without objection.

THE COURT: Okay.

Q: If you would, would you ... do you have that verified debt with you?

A: And I think that's ... stuck that in your folder.

MS. STOMSKI: And, Your Honor, the validation of debt was

provided to counsel. It was notarized on the 18th of April, and it was provided yesterday. I was speaking at two separate functions and had hearings in Charleston, but I provided it to him as quickly as I could.

Q: If you can take a look at that validation, what does it state as the principal amount owed?

A: $31,535.04.

Q: Are there any other amounts owing other than the principal amount? If there are, could you please state those.

A: Yes. There's interest as of today of $2270.83. There are late charges due of $74.98, and then there are also attorney's fees in the amount of $6263.60.

Q: All right. And what's the total, principal, interest and expenses due at this time?

A: $40,144.45.

Q: And based on your knowledge, this is a true and accurate amount owed on this particular loan?

A: It is.

Q: All right. Do you anticipate there will be any other charges, or there may be other charges going forward?

A: Other than additional attorney's fees maybe for today and any work done thereafter and possibly late

charges, no, I don't think so.
Q: All right.
MS. STOMSKI: One moment, Your Honor. If I may approach?
THE COURT: Yes, ma'am.
Q: Ms. Wolfman, are you familiar ... this is attached as Exhibit A to the Complaint in this matter. Do you recognize this document?
A: I do.
Q: And can you tell us what that is?
A: Sure. This is the promissory note for the loan in question.
Q: And what was the principal amount for that note?
A: $36,000.
Q: All right. And can you please tell me who the borrower is and who signed on behalf of the borrower?
A: Sure. Sand Dollar 31, LLC is the borrower, and Rhonda Meisner signed on behalf.
Q: All right. And is Exhibit B to the Complaint, which I would incorporate herein, do you recognize this document?
A: I do.
Q: And can you please tell the Court what it is.
A: This is the real estate mortgage.
Q: And can you tell me who it states as the borrower?

A: Sand Dollar 31, LLC.
Q: And who signed that mortgage?
A: Rhonda Meisner.
Q: All right. And do you recognize, this is Exhibit C to the Complaint, incorporated herein, do you recognize this document? It's a two-page document.
A: I do. This is the guaranty agreement.
Q: All right. And that is ... who is the guarantor stated on that?
A: Rhonda Meisner.
Q: And did she in fact sign that?
A: She did.
Q: All right.
MS. STOMSKI: Your Honor, as these are a matter of record, I'm not going to introduce them unless that is ... unless there's opposition.
MR. BOWENS: No objection.
MS. STOMSKI: I have nothing further for Ms. Wolfman at this moment.
THE COURT: All right. Cross-examination?
MR. BOWENS: Thank you, Your Honor.
MS. WOLFMAN - CROSS-EXAMINATION BY MR. BOWENS:
Q: Ms. Wolfman, are you familiar with the private banking system at South Carolina Bank and Trust?
A: Not as familiar as with my own department, no.

Q: Okay.
MR. BOWENS: I'd like to have this marked as a defense exhibit.
Q: I believe you have with you there at your table already the ...
THE COURT: Hold on one minute. I'm sorry. Do you want to look at it?
MS. STOMSKI: I would, Your Honor.
(Defendants' Exhibit Number One is marked and entered into the record at this time.)
Q: This Exhibit One is a copy of a bank statement sent by South Carolina Bank and Trust. Do you recognize that as one of your bank statements?
A: It appears to be.
Q: This is pertaining to 6318, the one that applies to that case. I believe in your affidavit you indicate that you're charging interest and principal from December 15th, 2010, to April 25th, 2012.
A: Huh-uh (negative response). Just through April 25th, 2012. It does not state when it was ...
Q: Well, it's interest from December 15, 2010, to April 25th ...
A: Not in the one that we've submitted.
MS. STOMSKI: You should have the most recent one but ... the figures aren't any different, but we did note

that the date was at issue.

MR. BOWENS: I'm going off the one you sent me.

MS. STOMSKI: I know. I'm just wondering if you've got the most recent one. Do you want to take a look at what she's trying ...

A: Do you want to look at this one?

MS. STOMSKI: ... her original?

MR. BOWENS: On the one we have here, that is not there, so. Okay. Yeah, there appears to be a discrepancy between the one you gave me and the one she has.

MS. STOMSKI: Not from the amounts. But I just ...

MR. BOWENS: Just the date?

MS. STOMSKI: Right. Just from the date.

Q: Well, when is this interest calculated from, from what date to?

A: I would have to go back and check the system, but it would be from the date of the last payment.

Q: Which was June 24th, 2000 (sic)?

A: That's correct.

Q: Okay.

A: So probably from June 25th, 2011.

Q: Okay. So you would agree then that on June 24th, 2000- ... based on Exhibit One that you have there, that Ms. Meisner made a payment and brought that loan current as of that date?

A: That's correct.

MR. BOWENS: That's all the questions I have, Your Honor.

THE COURT: Any re-direct?

MS. STOMSKI: None, Your Honor.

THE COURT: Okay. Thank you, Ms. Wolfman, you may come down. Watch your step coming down.

A: Do I leave this?

THE COURT: Yeah, leave the exhibits up there.

MS. STOMSKI: Your Honor, just ... I want to, just for ease, I was going to show you the copy. There was a typo on one, which is not what we put up to the Court for today, Your Honor, and it does indicate that there was a payment made in June. So we'll stipulate that there was that payment made. So there's ... that's not an issue and it didn't change the figures that we're presenting today.

THE COURT: The defendant's point is that it was in fact brought current back ...

MR. BOWENS: Right. Yeah, the affidavit we received said that interest was calculated from December 15th, 2010, which didn't account for this payment. But apparently this was a mistake on this affidavit so it's been corrected.

THE COURT: All right.

MS. STOMSKI: Yes, Your Honor. And we do have the

original to hand up to the Court and it does show the interest without that but, yes, Your Honor, we'll stipulate that payment was made and the interest was changed to reflect that payment.

THE COURT: All right. Anything further from the plaintiff?

MS. STOMSKI: Nothing, Your Honor.

THE COURT: All right, the plaintiff rests. Mr. Bowens?

MR. BOWENS: The defense calls Rhonda Meisner.

THE COURT: Do you want a short break? I know Ms. Meisner's kind of upset. You want to take about five minutes?

MS. MEISNER: I think I'll be okay.

THE COURT: You're okay? All right then.

(Witness is sworn.)

Rhonda Meisner, being duly sworn, testifies as follows:

MS. MEISNER - DIRECT EXAMINATION BY MR. BOWENS:

Q: Ms. Meisner, give us your name for the record, please.

A: Rhonda Lewis Meisner.

Q: And explain your relationship to Sand Dollar 31, LLC.

A: I'm the member of Sand Dollar 31.

Q: Now, describe for the Court the circumstances of how you came to be involved with South Carolina Bank and

Trust in getting the loan, primarily for the case of 6318. But you got both of them I think at the same time so the circumstances will be the same for both, is that right?

A: Well, I was in the private banking department and I had followed the banker, Ann Wilson, from originally Bank of America, then she went to Wachovia, and then she went to South Carolina Bank and Trust. And she called me and asked me to move accounts to South Carolina Bank and Trust, which I did.

Q: What's different between private banking from ordinary, non-private banking?

A: Well, basically you, you know, you have a banker that calls you and says, you know, do you want to do this, are you interested in doing that. And the house on Linden Street, 4824 Linden Street, was purchased actually out of a foreclosure sale, which I purchased through money that I had in a self-directed retirement account thing. And Ann suggested that I take a loan on that house and on 8391 to do some other things, which I did. In getting these loans I basically just called her on the phone and told her, you know, what Sand Dollar was interested in doing, and she took care of the rest. Like, she filled out the applications, that

kind of thing. And I guess my point of view is that you would think when you go into a private banking situation, that when you lose your job and your tenants that are there can't pay, that there would be some consideration to work things out with you. But instead, it was explained to me that the private banking people make their commissions on performing loans only. So I basically was kicked out of the private banking and into Ms. Wolfman's department. And I understand that everybody has to pay their bills, but what Ms. Wolfman said about me not trying to bring things current is not accurate, because I did ... I mean, this ... I had lost my job. I did get a new job on March 28th, and as of July I made an $1892 payment to bring it current and ...

Q: Did the bank give you representations that if you brought it current they would work with you to avoid foreclosure?

A: Yes, she did.

Q: And once you brought it current, what did the bank do?

A: They wouldn't accept payments after this one. And they said no, the maturity date is now; we're not going to do anything with that loan.

Q: And is that the reason why you oppose foreclosure on

this particular loan?

A: Well, you know, I know Judge Strickland is going to decide that it has to be foreclosed, but I really wanted it on the record that the banks are not dealing fairly with people. And it's costing me a lot of money to do this, but I think that it is something that they need to know and they need to do. But, yes, that's why I'm opposing it.

Q: Now, did you receive a package from the bank, trying to do a deed in lieu of foreclosure ...

A: No, I did not receive that.

Q: You did not receive that?

A: I did not receive that.

Q: Did you want to do a deed in lieu of foreclosure back when this first ... when they refused to do a workout or refused to accept payments after the June 24th payment?

A: Yes, I would have done a deed in lieu except that I was concerned about the Linden Street house because the people that live there pay ... they have ... he is a painter and he can't afford to pay his rent. And they were very far behind on their rent, and Ms. Wolfman even said to me, well, why don't you evict them. And I said, where are they going to go, where are they going to go? So ... I'm sorry, I'm

rambling. But ... what was your question?

Q: That the bank would not accept your offer of a deed in lieu of foreclosure after ... they wouldn't work out anything on that loan?

A: That's right.

Q: That's all the questions I have.

THE COURT: All right. Cross-examination?

MS. MEISNER - CROSS-EXAMINATION BY MS. STOMSKI:

Q: Ms. Meisner, you mentioned that you were a customer in the private banking department?

A: Right.

Q: Would it be an accurate ... as a former banker, I have a little bit of knowledge about private banking, so tell me, my understanding is that private banking is a special part of a bank for those customers who ... doctors, lawyers, maybe a little more affluent, those types of folks are the ones who are offered to go into private banking; is that accurate?

A: That is accurate.

Q: Okay. And so you were considered to be one of those affluent, or your family or whomever, someone was in the private banking to be among those special few that go into private banking, is that correct?

A: Yes, ma'am. And to that end, I felt like if the

bank will treat me this way, anybody that's not able to pay, that's losing their primary house, I hope God is with them because, you know what, they're not being treated fairly by South Carolina Bank and Trust.

Q: But this isn't your primary residence, is it?

A: It is not. And that's why, if I lose this today, then that's one thing; it only affects Brenda and Alvin Hair.

Q: Well, we're actually, if I may, the only matter we're talking about today is the property that has the mobile home on it?

A: That's correct.

Q: And that's vacant, correct?

A: It is vacant. They moved out because they couldn't pay their rent, and they moved back into their father's house.

Q: And how long has it been vacant?

A: It's been vacant about four months. I have not re-rented it because I ... because of this situation. I couldn't do that.

Q: Okay. Did you make any attempts to discuss with your counsel whether or not you were able to put a new tenant in there?

A: Ma'am, I didn't ...

MR. BOWENS: I want to object to conversations she had with counsel. That's privileged.

THE COURT: All right. Sustained.

Q: Did you seek any advice from anyone, and not what that advice was, but did you seek advice about whether or not you were able to put a tenant in a property prior to foreclosure?

A: Yes, I prayed about it, and I felt like that it would be ... would not be fair to them to move in and potentially be forced out. As a matter of fact, Ms. Wolfman asked me why I didn't evict the people because they couldn't pay. So I would have no ...

Q: That's on the second property, right?

THE COURT: I'm sorry, let her finish the answer please.

MS. STOMSKI: Okay.

A: Both properties, at the time. One man lost his job and didn't have any income. He lived there with his disabled mother. They had no income. I lost my job, so I didn't have an income from August to March 28th of 2011. Neither house ... well, Alvin and Brenda Hair, Alvin is a painter and Brenda cleans houses. But when the economy went down, they could not earn enough money to pay their rent. And so at the time they were about eight months behind, and Ms. Wolfman said why didn't I evict them. And I

asked her where are they going to go.

Q: But you did say that Ms. Wolfman ... you said that the property we're talking about in this particular ... the only action we're talking about is the property with the mobile home, and you said it's been vacant for four months.

A: Four or five.

Q: Okay. And you also said that Ms. Wolfman suggested ... or you did talk about having a tenant in the property?

A: But they couldn't pay either. That's what I said earlier, ma'am.

Q: Right. But when it went vacant there was an opportunity there to put a tenant in, correct?

A: And as I said earlier, I didn't feel comfortable doing that. Since I was in foreclosure I thought that would be not the right thing to do for them.

Q: Okay. When you had mentioned that you did make a payment toward your loan, are you familiar with the term "cross default", that when you have a mortgage and you have two different loans, that a default on one loan creates a default on the other? Are you familiar with that?

A: The private banking people, Ann Wilson, who was my banker, told me that if I was behind on one loan,

that all of the language in South Carolina Bank and Trust, all of the loans are considered defaulted.

Q: Okay. So you acknowledge that you never brought all of your loans current?

A: When Ms. Wolfman told me that I had to bring $5400, and I only had my job for about two months at the time, I could not bring $5400. But I told her that I had just gotten a new job and that I would, you know, pay what I could. I thought that I could get that much money together but I was in a situation of basically just trying to regroup.

Q: And so you acknowledge that both loans have been in default since at least August or September of 2011?

A: That's correct.

MS. STOMSKI: I have nothing further, Your Honor.

THE COURT: Any re-direct?

MR. BOWENS: No, Your Honor.

THE COURT: Okay. Thank you, ma'am. You may come down. Watch your step coming down, please. Anymore from the defendant?

MR. BOWENS: Nothing further.

THE COURT: All right. Based on the evidence that's been presented today, I find for the plaintiff and ask that a proposed order be submitted. You're looking for a judicial sale as well, is that correct?

MS. STOMSKI: Yes, Your Honor.

THE COURT: Okay. The next possible sale will be June 4th, 2012, the first Monday in June. Let me ask the parties not to lose sight of the fact that even though we're in court and I've ruled, you can still work this out without my input. I think the lawyers understand that. And, of course, to make sure I'm clear on this, the right of redemption applies in a commercial context as well as another type of context, as far as she's the owner up until June 4th. And if you work something about between now and June 4th, that's fine. Is that an accurate statement? I don't want to ...

MS. STOMSKI: Yes, Your Honor.

MR. BOWENS: Yes, Your Honor.

THE COURT: Okay. Anything further today?

MR. BOWENS: Just briefly. I'm not sure if ... we talked earlier about the ... we had a declaratory judgment action for the appraisal rights, and that's been stipulated to. I'm not sure if we had gone on the record when we were talking earlier or not on this one, but I just wanted to make sure that can be part of the order, that both Sand Dollar and Ms. Meisner would have appraisal rights, include that language in the order.

MS. STOMSKI: We will stipulate that we will not challenge her verified position pursuant to the statute.

THE COURT: All right. And also, under the Rules, the demand for a deficiency judgment can be waived in the meantime prior to judicial sale. So that's something I guess, again, the parties please don't lose sight of, you can negotiate that issue as well. So you don't have to worry about appraisal rights if in fact the deficiency judgment is waived prior to sale. All right. Anything further?

MS. STOMSKI: Your Honor, we do have ... we can hand up proposed ... the only thing that's not specifically in that was your request as far as the stipulation, as far as the petition goes. We can add that or ...

THE COURT: It'd be better to put it in the order I think, just so there'll be no question later on.

MS. STOMSKI: Thank you, Your Honor.

MR. BOWENS: Thank you, Your Honor.

THE COURT: All right. Thank you.

(There being nothing further, the hearing was concluded at 10:34 a.m.)