

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

FORT WALKER HOLDINGS, LLC,

Bankruptcy No. 16-22609-CMB

Debtor.

Chapter 11

FORT WALKER HOLDINGS, LLC,

Document No.

Movant,

Related to Doc. No.

vs.

**BRANCH BANKING & TRUST
COMPANY, BEAUFORT COUNTY
TREASURER, THOMAS W. BUNCH, II,
SUNTRUST BANK, INTERNAL
REVENUE SERVICE, SOUTH CAROLINA
DEPARTMENT OF REVENUE,
THE ASSOCIATION OF LANDOWNERS
OF PORT ROYAL PLANTATION, INC.,**

Respondents.

**MOTION FOR SALE OF PROPERTY
FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES**

AND NOW comes Fort Walker Holdings, LLC, by and through its Counsel, Robert O Lampl, John P. Lacher, David L. Fuchs and Ryan J. Cooney and files this **MOTION FOR SALE OF PROPERTY FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES**, as follows:

1. The Movant is Fort Walker Holdings, LLC, the Debtor in this Chapter 11 Case.
2. This Case was commenced on July 14, 2016.
3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. Section 1334, 28 U.S.C. Section 157 and 11 U.S.C. Section 363.

4. The Movant is the owner of certain Real Property situate at 31 Fort Walker Drive, Lot 3, Section M-2, Port Royal Plantation, Beaufort County, South Carolina.

5. The Movant has received an offer to purchase the Real Property as set forth in the Contract of Sale – Offer and Acceptance dated December 14, 2016 in the amount of Eight-Hundred Thousand Dollars (\$800,000.00) from Richard and Joyce Lancione, adult individuals, or their assigns (“Buyer”). Earnest money in the amount of Forty-Thousand Dollars (\$40,000.00) is being held in escrow by Carolina Realty Group (the “Escrow Agent”). An executed copy of the Contract of Sale – Offer and Acceptance is attached hereto and made part hereof as **EXHIBIT A**. The Real Property is more fully described in the property description which is attached hereto and made part hereof as **EXHIBIT B**.

6. The Movant has executed the above-referenced Contract of Sale – Offer and Acceptance by and between Richard and Joyce Lancione & Assigns (“Buyer”) and Fort Walker Holdings, LLC for the purchase price of Eight-Hundred Thousand Dollars (\$800,000.00).

7. The Respondents which may hold liens, claims and encumbrances against the Real Property are as follows:

- a.) Branch Banking & Trust;
- b.) Beaufort County Treasurer;
- c.) Thomas W. Bunch, II;
- d.) SunTrust Bank;
- e.) Internal Revenue Service;
- f.) South Carolina Department of Revenue, and

g.) The Association of Landowners of Port Royal Plantation, Inc.

A true and correct copy of the Lien Report regarding the Real Property is attached hereto and made part hereof as **EXHIBIT C**.

8. The liens, claims and encumbrances will be transferred to the proceeds of the sale, if and to the extent that they may be determined to be valid liens against the Real Property in accordance with their validity and priority.

9. The Real Property is being sold as-is, where-is.

10. The Movant believes that the proposed sale is fair and reasonable and acceptance and approval of the same is in the best interest of this Estate.

WHEREFORE, the Movant respectfully requests that this Honorable Court enter an Order approving the sale of the Real Property free and clear of all liens, claims and encumbrances.

Respectfully Submitted,

Date: January 30, 2017

/s/ Robert O Lampl
ROBERT O LAMPL
PA I.D. #19809
JOHN P. LACHER
PA I.D. #62297
DAVID L. FUCHS
PA I.D. #205694
RYAN J. COONEY
PA I.D. #319213
Counsel for the Debtor
960 Penn Avenue, Suite 1200
Pittsburgh, PA 15222
(412) 392-0330 (phone)
(412) 392-0335 (facsimile)
Email: rlampl@lamplaw.com

**IN THE UNITED STATES BANKRUPTCY COURT
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IN RE:

FORT WALKER HOLDINGS, LLC,

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Related to Doc. No.

vs.

**BRANCH BANKING & TRUST
COMPANY, BEAUFORT COUNTY
TREASURER, THOMAS W. BUNCH, II,
SUNTRUST BANK, INTERNAL
REVENUE SERVICE, SOUTH CAROLINA
DEPARTMENT OF REVENUE,
THE ASSOCIATION OF LANDOWNERS
OF PORT ROYAL PLANTATION, INC.,**

Respondents.

CERTIFICATE OF SERVICE

I, Robert O Lampl, hereby certify, that on the 30th day of January, 2017, a true and correct copy of the foregoing **MOTION FOR SALE OF PROPERTY FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES** was served upon the following (*via First-Class U.S. Mail*):

Norma Hildenbrand
Office of the U.S. Trustee
970 Liberty Center
1001 Liberty Avenue
Pittsburgh, PA 15222

Lisa DiCerbo
IRS – Office of Chief Counsel
Moorhead Federal Building, Room 806
1000 Liberty Avenue
Pittsburgh, PA 15222
(Counsel for the Internal Revenue Service)

Beaufort County Treasurer
Attn: Maria E. Walls, CPA
P.O. Drawer 487
100 Ribaut Road #165
Beaufort, SC 29902

SunTrust Bank
5 Office Park Road
Hilton Head Island, SC 29928
Attn: Raymond D. Fortin, General Counsel

Branch Banking & Trust Company
200 West 2nd Street
Winston Salem, NC 27101

Thomas W. Bunch, II
Robinson, McFadden & Moore, P.C.
P.O. Box 944
Columbia, SC 29202
(Counsel for BB&T)

Sally E. Edison
Spilman Thomas & Battle, PLLC
One Oxford Centre, Suite 3440
301 Grant Street
Pittsburgh, PA 15219
(Local Counsel for BB&T)

South Carolina Department of Revenue
300A Outlet Pointe Blvd.
P.O. Box 125
Columbia, SC 29214

Dan Prud'homme, Broker in Charge
Carolina Realty Group
3 Executive Park Road
Hilton Head, SC 29928
(Real Estate Broker)

The Association of Landowners
of Port Royal Plantation, Inc.
10 Coggins Point Road
Hilton Head Island, SC 29928
Attn: Lance Pyle, General Manager

Date: January 30, 2017

/s/ Robert O Lampl
ROBERT O LAMPL
PA I.D. #19809
JOHN P. LACHER
PA I.D. #62297
DAVID L. FUCHS
PA I.D. #205694
RYAN J. COONEY
PA I.D. #319213
960 Penn Avenue, Suite 1200
Pittsburgh, PA 15222
(412) 392-0330 (phone)
(412) 392-0335 (facsimile)
Email: rlampl@lampllaw.com



CONTRACT OF SALE - OFFER AND ACCEPTANCE

This Contract of Sale - Offer and Acceptance ("Contract") is entered into by and between:

Richard and Joyce Lancione *E ASSIGNS JK - RW*
("Purchaser") whose address is set forth in Page 6, and

^{DS}
WEL 12/14/2016

Fort Walker Holdings LLC

("Seller") whose address is set forth in Page 6.

THE PURCHASER SELLER IS A SOUTH CAROLINA REAL ESTATE LICENSEE.

ALL TIME PERIODS USED IN THIS CONTRACT SHALL BE CALCULATED BY CALENDAR DAYS AND NOT BUSINESS DAYS.

1. **PROPERTY DESCRIPTION.** Purchaser agrees to purchase, and Seller agrees to sell, all that lot or parcel of land, with all improvements thereon, and any interest appurtenant thereto, situated in South Carolina and being described as follows:

Legal: 2 SEC M2

Mailing: 31 Fort Walker Drive (the "Property")

2. **PURCHASE PRICE.** The total Purchase Price for the Property is \$ 800,000 to be paid by Purchaser as follows:

a.	Earnest Money deposited herewith ("Deposit")	\$ <u>40,000</u>
b.	Additional Deposit to be paid by _____	\$ <u>0</u>
c.	A First Mortgage for at least _____ years at prevailing interest rates and terms	\$ <u>0</u>
d.	Balance in collected funds at Closing	\$ <u>760,000</u>

3. **FINANCING CONTINGENCY.** If a mortgage is referred to in Section 2, this Contract is subject to the Purchaser obtaining a financing commitment from a Nationwide Mortgage Licensing System & Registry approved mortgagee or mortgage broker. Purchaser shall use best efforts to obtain financing and shall supply the prospective lender(s) with all requisite information.

- a. Purchaser shall complete a loan application and must provide a prequalified letter from the lender within N/A days.
- b. Purchaser shall obtain a loan commitment within N/A days ("Financing Contingency Period").

All time periods run from the Effective Date defined on Page 6. If Purchaser's bona fide loan application does not result in a commitment within the Financing Contingency Period, Purchaser shall have the affirmative obligation of providing written notice to Seller that the financing contingency has not been satisfied, and that the Purchaser has elected to terminate this Contract. Such notice must include a lender's loan denial letter and must be provided during the Financing Contingency Period. Upon receipt of notice and execution of any required release forms, the Escrow Agent (defined in Section 9 of this Contract) shall return the Deposit to the Purchaser. Upon such payment, this Contract shall have no force or effect, and neither party hereto shall have any rights against the other hereunder. **The parties acknowledge and agree that time is of the essence with respect to the Financing Contingency Period. No right to cure shall apply to the Financing Contingency Period. If Purchaser does not provide Seller written notice of failure to obtain financing during the Financing Contingency Period, the financing contingency shall be waived. Purchaser acknowledges that this financing contingency is limited in time.**

EXHIBIT A

Initials: Purchaser *JK - RW* Date 12/13/16 Seller ^{DS}
WEL Date 12/14/2016
Managing Partner for Fort Walker Holdings LLC

4. FURNISHINGS, SYSTEMS AND APPLIANCES. The Property includes all heating and air conditioning systems, all electric and plumbing systems, all fixtures attached to the Property, and shall additionally include the following:

- Refrigerator Freezer Washer Dryer Stove/Oven Microwave Cook Top & Attachments
 - Dishwasher Ceiling Fans Irrigation System Pool Equipment Septic System
 - Window Treatments Trash Compactor Bathroom Mirrors Water Softener Furnished Other VARIETY OF JEWELRY
- Credit for refrigerator since not in working order

DS
WEL 12/14/2016

If sold furnished, all furniture and furnishings are included unless specifically excepted by an attached list of excluded items.

5. WOOD INFESTATION REPORT. Seller agrees to provide at its expense an "Official South Carolina Wood Infestation Report (CL-100)" in which no infestation or damage is reported, or if there is damage observed, it is cosmetic only and insufficient to recommend repair. Such report must be dated within 30 days of the Closing and shall be provided to Purchaser's closing attorney not less than 14 days prior to Closing. If infestation by termites or other wood destroying organisms, or damage sufficient to recommend repair in the opinion of a licensed contractor, is observed, Seller shall cause same to be eradicated and/or repaired prior to Closing. If repairs are not completed by the Closing, then Purchaser shall have the option of (a) delaying Closing until the repairs are completed, or (b) if permitted by Purchaser's lender, Seller shall permit Purchaser's closing attorney to escrow funds from the sales proceeds at Closing in an amount equal to the costs of such repair. If the Property has not been previously occupied, Seller shall provide the Purchaser by Closing a written certification from a licensed pest control operator certifying that the dwelling has been treated by soil poisoning for the prevention of termites and other wood destroying organisms.

6. OTHER TERMS. Other terms and conditions of this Contract are:

A. This Contract is subject to the court approving the sale. Purchaser agrees to grant the seller 45 days to obtain court approval. If the sale is not approved by the court within 45 days of contract acceptance, the purchaser can cancel this contract at their sole discretion and receive a refund of earnest money held in escrow.

DS
WEL 12/14/2016 [RL] [RL] 12/15/2016 DS
WEL 12/14/2016 JL RM
3RD PARTY ACCEPTANCE

7. DATE OF CLOSING. The closing of this Contract shall take place on or before 30 Days after 31, 20__ (the "Closing") at the office of Purchaser's attorney or other offices stipulated by Purchaser. Unless otherwise provided herein, Seller shall deliver possession of, and keys to, the Property, free of debris and in a clean condition, to Purchaser at Closing. Seller and Purchaser authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final closing statements for the transaction.

8. CONDITION OF PROPERTY. At Closing, all appliances and systems referenced in Section 4, including heating, air conditioning, electric and plumbing systems, fireplace/chimney, irrigation, pool and spa, shall be in good working order, and their physical condition shall be subject to reasonable wear and tear regardless of age. Further, the structure shall be reasonably sound and the roof free of leaks at Closing. Purchaser, at Purchaser's expense, may have inspections of the Property performed by licensed professionals. All such inspections must be completed within 15 days of the Effective Date ("Inspection Period"). Within the Inspection Period, Seller or Seller's agent must be provided with a copy of all inspection reports, identifying any repairs for the Seller to address. Seller shall respond to Purchaser's request for repairs within seven (7) days from receipt of the request for repairs. Seller shall make all repairs required by this Section identified in the inspection report(s). In the event the agreed upon repairs are not completed by the Closing, then Purchaser shall have the option of (a) delaying Closing until the repairs are completed, or (b) if permitted by Purchaser's lender, Seller shall permit Purchaser's closing attorney to escrow funds from the sales proceeds at Closing in an amount equal to the cost of such repair(s). Other than the Property condition requirements set forth in this Section, the Property shall be conveyed in its present condition "As Is". "As is" means the Property shall be conveyed in the condition existing on the Effective Date, subject to the terms of this Contract. The Property is a resale property. It is not new construction. Normal wear and tear is to be expected. For example, fogged windows, appliance rust, overgrown or dead landscaping, tile or countertop cracks, missing or torn screens, and uneven walkways or driveways are considered normal wear and tear and are not subject to repair unless otherwise required by this Contract. Seller shall not be obligated to make the Property comply with current building codes if the Property was constructed in compliance with the then applicable building codes. The Property shall be habitable, and Seller must repair deficiencies which render the Property uninhabitable as determined by licensed professionals. Purchaser and/or Purchaser's representative shall be permitted to conduct a walk-through inspection prior to Closing to re-inspect the Property and verify the completion of any Seller repairs.

Initials: Purchaser JL RM Date 12/14/2016 Seller WEL Date 12/14/2016
Managing Partner for Fort Walker Holdings LLC

9. **DEPOSITS/DEFAULT.** The Deposit shall be applied toward the Purchase Price at Closing. Upon the failure of either party to comply with the terms hereof within the stipulated time, and after notice of said default is provided pursuant to the notice provisions of Section 15, with a 10 day right to cure, it is understood and agreed by and between the parties hereto that either party may proceed with all rights and remedies at law or in equity against the defaulting party. In the case of a Purchaser default, the Seller may elect, in lieu of all other remedies, the forfeiture of the Deposit as liquidated and agreed upon damages. The parties agree that the Escrow Agent shall not disburse the Deposit until Seller and Purchaser have executed a release form authorizing the disbursement or until a court of competent jurisdiction has directed a disbursement. Upon the expiration of five (5) years from the date of the Closing without the written agreement of the parties directing the disbursement of the Deposit, or the initiation of a lawsuit to determine the distribution of the Deposit, Escrow Agent may disburse the Deposit to the South Carolina Treasurer as unclaimed property. In the event of any litigation commenced because of a default hereunder, the prevailing parties in such litigation shall be entitled to recover attorney fees and court costs from the non-prevailing parties. The parties hereto hereby acknowledge that the Deposit shall be held in escrow by Carolina Realty Group (the "Escrow Agent"). Additionally, the parties authorize the Escrow Agent to transfer the Deposit to the settlement agent in advance of Closing. The Escrow Agent shall not be required to institute or maintain any litigation unless indemnified to its satisfaction for its attorney fees, cost disbursements, and all other expenses and liabilities to which it may, in its judgment, be subjected in connection with this action. The Seller and Purchaser shall at all times indemnify the Escrow Agent against all actions, proceedings, claims and demands arising out of this transaction relating to the holding of the Deposit. In the event of a dispute between the Seller and Purchaser which cannot be resolved, the Escrow Agent shall have the option of depositing the Deposit into the Clerk of Court's Office, pending resolution of the disposition of said funds, and Escrow Agent shall bear no further responsibility for said Deposit.

10. **RISK OF LOSS AND DAMAGE.** In case the Property is wholly or substantially damaged by fire, storm or other casualty, Purchaser may elect, within 20 days after receiving written notice thereof, to proceed hereunder with a mutually agreed adjustment in the terms of this Contract, or terminate this Contract and receive back all money deposited hereunder. **In the event the Property is damaged by the Purchaser, or by any person upon the Property on the Purchaser's behalf (i.e., inspector), such damage shall be repaired at Purchaser's expense.**

11. **PRORATIONS; CLOSING COSTS; ASSESSMENTS.** All expenses of ownership (and rents, if any) shall be prorated to the date of Closing. Purchaser agrees to purchase from Seller the fuel, if any, situated in any tank on the Property at the prevailing rate with the cost of measurement thereof being paid by Seller. Purchaser is responsible for any Town, City or County Transfer fee, and for the County recording fees for the deed and any loan documents. Additionally, Purchaser shall pay the cost of securing a title examination, title insurance, and a survey (except any survey required by the South Carolina Coastal Tidelands & Wetlands Act, which is the responsibility of Seller). Unless otherwise agreed to in this Contract, Purchaser shall assume outstanding assessments or fees, if any, to cover the costs of water and/or sewer infrastructure. Seller shall be responsible for the South Carolina deed-recording fee required by SC Code §12-24-10. Each party shall pay its own attorney's fees. Unless otherwise agreed to in this Contract, Seller shall be obligated to pay any regime or property owner association special assessment approved by its Board of Directors or similar body prior to Closing; provided, however, if such special assessment is levied and/or billed in installments over more than one year, the Seller shall be obligated to pay the installment for the full current calendar year of Closing only, and the Purchaser shall assume the installments in future calendar years. Notwithstanding the foregoing, a special assessment to cover insurance premiums, whenever assessed prior to Closing, shall be pro-rated based on ownership over the period covered by the premium.

The Property does does not have a homeowners' association transfer fee, community enhancement fee, or initiation fee due upon the transfer of the Property. If applicable, said fee is based on a percentage of the Purchase Price or is a flat fee and shall be paid by the Seller Purchaser. The foregoing is not intended to include processing or administrative fees charged by owner association management agents, and such processing or administrative fees are to be paid by Seller.

12. **BROKER DISCLAIMER.** Seller and Purchaser agree that the Selling Agency and Listing Agency are acting only as real estate agents in this transaction and as such have no responsibility for and make no oral or written representations concerning the condition of the premises, terms of the sale or title to the Property, nor are they responsible or accountable for payment of the Purchase Price or for any other funds, except any portion of the Deposit actually received. Neither Agency guarantees payment of any check received as deposit money hereunder. Seller and Purchaser acknowledge that the Agencies: (1) give no guaranty or warranty of any kind, express or implied, as to the physical condition of the Property; (2) give no warranty, express or implied, as to the merchantability or fitness for a particular purpose regarding the Property; (3) give no guaranty or warranty concerning any inspection or report concerning the Property or the accuracy of any published square footage of the Property; (4) give no guaranties or warranties regarding any rental income or other economic benefit of the Property to Purchaser; (5) give no guaranties or warranties regarding any

Initials: Purchaser JK RU Date 12/13/16 Seller WEL Date 12/14/2016
Managing Partner for Fort Walker Holdings LLC

regime or property owner association special assessments which may apply to the Property; and (6) are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure Statement. The Selling Agency recommends that the Purchaser obtain professional inspections of the Property.

13. **TITLE.** Seller shall convey marketable title to the Property to Purchaser in fee simple by proper deed in recordable form with covenants of general warranty, subject to normal utility easements, applicable restrictive covenants, governmental regulations and assessments. If an owner's title binder can be issued by an ALTA title insurance company at standard rates with standard exceptions for the Beaufort County and surrounding area, title shall be deemed to be marketable. Purchaser acknowledges that Selling Agency has recommended that an attorney examine the title to the Property on Purchaser's behalf. If the Property is a condominium or subject to covenants or restrictions, Purchaser shall have the obligation to verify all regime and property owner regular or special assessments.

14. **NON-RESIDENT TAX WITHHOLDING.** Seller shall comply with the provisions of South Carolina Code §12-8-580 and U.S. Internal Revenue Code §1445 (as amended) regarding withholding requirements for sellers who are not South Carolina or U.S. residents.

15. **NOTICE.** Each notice required or permitted to be given under this Contract ("Notice") must comply with the requirements of this Section 15. Any such Notice shall be in writing and shall be deemed to have been given if delivered by hand, email (provided that the recipient returns emailed confirmation of receipt), facsimile, recognized overnight courier service (such as UPS or Federal Express), or mailed by certified mail, return receipt requested, with postage prepaid and addressed:

- a. to the party at the address set forth on Page 6 herein; or
- b. to the Seller or Purchaser's real estate agent or closing attorney.

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

17. **STATUTORY AND OTHER ADDENDA.**

- a. In the event the Property is affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Paragraph 48-39-10, et. seq., South Carolina Code of Laws), an Addendum will be attached to this Agreement incorporating the required disclosures at Seller's expense.
- b. The Purchaser has has not reviewed a South Carolina Property Condition Disclosure Statement.
- c. The South Carolina Vacation Rental Act does does not apply to this transaction.
- d. This Contract applies does not apply to a residence built prior to 1978. If such residence was built prior to 1978, this Contract is subject to the Lead Based Paint Contingency Addendum and the Lead Based Paint Disclosure, both of which are attached hereto.
- e. Flood Insurance is required is not required for any federally insured mortgage on the Property.
- f. A list of excluded items per Section 4 is is not attached hereto.
- g. Also attached hereto and incorporated herein are the following Addenda:

Initials: Purchaser RU Date 12/14/16 Seller  Date 12/14/2016
 Managing Partner for Fort Walker Holdings LLC

18. MISCELLANEOUS. The invalidity or unenforceability of any provision of this Contract shall not affect the other provisions hereof and this Contract shall be construed in all respects as if such invalid and unenforceable provision were omitted. This Contract may be executed in counterparts, each of which shall be deemed to be an original. The parties agree that any offer, counteroffer, and/or acceptance may be communicated by the use of facsimile (FAX) or e-mail, and that the signatures, initials, and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the originals were present on the documents in the handwriting of each party. This Contract shall be governed and construed in accordance with the laws of the State of South Carolina. No failure of a party to exercise any power or right granted hereunder, or to insist upon strict compliance with any obligation specified herein, and no practice of variance with the terms hereof, shall constitute a waiver of said power or right unless expressly authorized in writing by the affected party. If either party is a corporation, limited liability company, trust, or partnership, it shall provide evidence that: (i) the persons executing this Contract are authorized to act on behalf of the entity, and (ii) that the entity is validly and legally existing and in good standing. The undersigned individuals agree that the principals of the purchasing entity will personally endorse any financing described above if required by the lender. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and assigns. This Contract may not be assigned by Purchaser without Seller's written consent which consent shall not be unreasonably withheld. In the event of such approved assignment, the original Purchaser shall not be released from its obligations under this Contract unless otherwise agreed. This Contract constitutes the entire agreement between the parties hereto and may be modified only in writing.

Initials: Purchaser

J RU

Date *12/13/16* Seller

^{DS}
WEL

Date **12/14/2016**

Managing Partner for Fort Walker Holdings LLC

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED. PURCHASER AND SELLER SHOULD SEEK LEGAL ASSISTANCE IF THE CONTENTS OF THIS CONTRACT ARE NOT UNDERSTOOD. PURCHASER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS CONTRACT, BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE BROCHURE.

IN WITNESS WHEREOF, the undersigned parties have executed this Contract on the date set forth beneath their respective signatures. The last date of execution of this Contract by a party, or if applicable, the last date that this Contract was initialed by a party shall be the Effective Date for all time periods set forth herein. A signature or initial by either party must be dated to be binding upon the other party.

WITNESSES:

[Signature]
Purchaser
[Signature]
Purchaser

Date

Purchaser's Address for Purposes of Notice:

7 Hamilton Dr

Bluffton SC 29909

Email: _____

WITNESSES:

DocuSigned by:
William E Connolly
EBEEC10577894FD
Seller Managing Partner for Fort Walker Holdings LLC

Seller

12/14/2016

Date

Seller's Address for Purposes of Notice:

Email: _____

Initials: Purchaser *JRU 12/13/16* Seller *[DS WEL]* Date 12/14/2016

Managing Partner for Fort Walker Holdings LLC

The Hilton Head Area Association of Realtors ("HHAAR") owns the copyright to this Contract, and HHAAR expressly prohibits the unauthorized use of this Contract. This Contract may not be altered, duplicated, or distributed without the prior written consent of HHAAR. This Contract may be used only by members in good standing of the HHAAR.

This Contract is an unmodified or modified version of the HHAAR form residential contract. If modified, all modifications must either be hand written or inserted in capitalized, bold text, so all parties are aware of the modifications to the HHAAR form residential contract.

LISTING AGENT IS ACTING ON BEHALF OF SETTLER AS A (CHOOSE ONLY ONE) SELLER'S AGENT

DUAL AGENT OR DESIGNATED AGENT

Listing Agent or Team MLS ID: 707332

Company Name: Carolina Realty

Address: 3 Executive Park Road, Hilton Head Island, SC 29928

Company License No.: 11606

Agent Name: Dan Pruhomme

Agent SC Real Estate License No.: 42473

Agent Email: 31fortwalker@crghi.com Agent Phone Number: 843 341-5660

SELLING AGENT IS ACTING ON BEHALF OF PURCHASER AS A (CHOOSE ONLY ONE) BUYER'S AGENT
 SELLER'S AGENT DUAL AGENT OR DESIGNATED AGENT

Selling Agent or Team MLS ID: Drew Butler

Company Name: Charter One Realty

Address: 81 Main St HHI SC 29926

Company License No.: 8465

Agent Name: Drew Butler

Agent SC Real Estate License No.: 4993

Agent Email: drew@drewbutler.com Agent Phone Number: 843 384-8637

Initials: Purchaser JP RW Seller WEL Date 12/14/2016

DS
WEL



STATE OF SOUTH CAROLINA
RESIDENTIAL PROPERTY CONDITION
DISCLOSURE STATEMENT



The South Carolina Code of Laws (Title 27, Chapter 50, Article 1) requires that an owner of residential real property (single family dwelling unit or a single transaction involving transfer of four dwelling units or less) shall provide to a purchaser this completed and signed disclosure statement prior to forming a real estate contract. This disclosure must be provided in connection with any sale, exchange, installment land sale, and lease with an option to purchase contract. This disclosure statement is not required in connection with transactions listed and exempted by South Carolina Code Section § 27-50-30.

Owners should answer the questions fully, honestly, and appropriately by attaching documents, checking a box for each check box question, and writing in the blanks on this disclosure statement.

If a question is answered "yes" or asks for a description, then owner must explain or describe the issue or attach a descriptive report from an engineer, contractor, pest control operator, expert, or public agency. If owner attaches a report, owner shall not be liable for inaccurate or incomplete information in the report unless owner was grossly negligent in obtaining or transmitting the information. If owner fails to check "yes" or make a disclosure and owner knows there is a problem, owner may be liable for making an intentional or negligent misrepresentation and may owe the purchaser actual damages, court costs, and attorney fees. If a question is answered "no" for any question, the owner is stating that owner has no actual knowledge of any problem.

If a question is answered "no representation" for any question, owner is stating that owner is making no representation regarding the conditions or characteristics of the property, but owner still may have a duty to disclose information that is known or should have been known.

If a question is answered and subsequently new information is obtained or something changes to render the owner's answer incorrect, inaccurate, or misleading (example: roof begins to leak), owner must promptly correct the disclosure. In some situations, the owner may notify the purchaser of the correction. In some situations, the owner may correct or repair the issue.

If owner is assisted in the sale of property by a real estate licensee, owner remains solely responsible for completing and delivering this disclosure statement to the purchaser. The real estate licensee must disclose material facts about the property if the real estate licensee knows or reasonably should have known about the issue, regardless of owner responses on this disclosure. Owner is solely responsible to complete this disclosure as truthfully and fully as possible. Owner and purchasers are solely responsible to consult with their attorneys regarding any disclosure issues. By signing below, owners acknowledge their duties and that failure to disclose known material information about the property may result in owner liability.

Owner must provide the completed disclosure statement to the purchaser prior to the time the owner and purchaser sign a real estate contract, unless the real estate contract states otherwise. Owner should provide a signed copy to the purchaser and keep a copy signed by the purchaser.

A real estate contract, not this disclosure, controls what property transfers from owner to purchaser.

Property Address (including unit # or identifier) (3) Fort Walker Dr. Hilton Head
SC 29928

Owner: () () Purchaser: () () Acknowledge receipt of a copy of this page which is page 1 of 5.
REV: 7/2013

Apply this question below and the three answer choices to the numbered issues (7-14) on this disclosure.
 As owner, do you have any actual knowledge of any problem(s)* concerning?
 *Problem includes present defects, malfunctions, damages, conditions, or characteristics.

I. WATER SUPPLY AND SANITARY SEWAGE DISPOSAL SYSTEM

	Yes	No	No Representation
1. Water supply	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Water quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Water pressure	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Sanitary sewage disposal system for any waste water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
A. Describe water supply <input type="checkbox"/> County <input checked="" type="checkbox"/> City <input type="checkbox"/> Private <input type="checkbox"/> Corporate <input type="checkbox"/> Community <input type="checkbox"/> Well <input type="checkbox"/> Other _____			
B. Describe water disposal <input type="checkbox"/> Septic <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Private <input type="checkbox"/> Corporate <input checked="" type="checkbox"/> Government <input type="checkbox"/> Other _____			
C. Describe water pipes <input type="checkbox"/> PEX <input type="checkbox"/> Copper <input checked="" type="checkbox"/> PVC/CPVC <input type="checkbox"/> Polybutylene <input type="checkbox"/> Steel <input type="checkbox"/> Other/Unknown _____			

II. ROOF, CHIMNEYS, FLOORS, FOUNDATION, BASEMENT, AND OTHER STRUCTURAL COMPONENTS AND MODIFICATIONS OF THESE STRUCTURAL COMPONENTS

	Yes	No	No Representation
5. Roof system	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Gutter system	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Foundation, slabs, fireplaces, chimneys, wood stoves, floors, basement, windows, driveway, storm windows/screens, floors, ceilings, interior walls, exterior walls, sheds, attached garage, carport, patio, deck, walkways, fencing, or other structural components including modifications	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Approximate year that current roof covering was installed or modified: <u>'03</u> Approximate year structure was built: <u>'03</u>			
9. During your ownership, describe any known roof system leaks and repairs: <u>None</u>			

III. PLUMBING, ELECTRICAL, HEATING, COOLING, AND OTHER MECHANICAL SYSTEMS

	Yes	No	No Representation
8. Plumbing system (pipes, fixtures, water heater, disposal, softener, plumbing components)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Electrical system (wiring, panel, fixtures, A/V wiring, outlets, switches, electrical components)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Appliances (range, stove, ovens, dishwasher, refrigerator, washer, dryer, other appliances)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Built-in systems and fixtures (fans, irrigation, pool, security, lighting, A/V, other)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Mechanical systems (pumps, garage door opener, filtration, energy equipment, safety, other)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Heating system(s) (HVAC components)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Cooling system(s) (HVAC components)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Owner: () () Purchaser () () acknowledge receipt of a copy of this page which is page 2 of 5.

- A. Describe Cooling System: Central Ductless Heat Pump Window Other _____
- B. Describe Heating System: Central Ductless Heat Pump Furnace Other _____
- C. Describe HVAC Power: Oil Gas Electric Solar Other _____
- D. Describe HVAC system approximate age and any other HVAC systems: ALL SYSTEMS 2003 EXCEPT
REPLACED PRIMARY AIR HANDLER 2013

IV. PRESENT OR PAST INFESTATION OF WOOD DESTROYING INSECTS OR ORGANISMS OR DRY ROT OR FUNGUS, THE DAMAGE FROM WHICH HAS NOT BEEN REPAIRED

- A. Describe any known present wood problems caused by termites, insects, wood destroying organisms, dry rot or fungus:
NONE
- B. Describe any termite/pest treatment, coverage to property, name of provider, and termite bond (if any):
TERMITE BOND HILTON HERO EXTERMINATORS
- C. Describe any known present pest infestations:
NONE

V. THE ZONING LAWS, RESTRICTIVE COVENANTS, BUILDING CODES, AND OTHER LAND USE RESTRICTIONS AFFECTING THE REAL PROPERTY, ANY ENCROACHMENTS OF THE REAL PROPERTY FROM OR TO ADJACENT REAL PROPERTY, AND NOTICE FROM A GOVERNMENTAL AGENCY AFFECTING THIS REAL PROPERTY

Apply this question below and the three answer choices to the numbered issues (15-23) on this disclosure. As owner, do you have any actual knowledge or notice concerning the following:

	Yes	No	No Representation
15. Violations or variances of the following: zoning laws, restrictive covenants, building codes, permits or other land use restrictions affecting the real property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Easements (access, conservation, utility, other), party walls, shared private driveway, private roads, released mineral rights, or encroachments from or to adjacent real property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Legal actions, claims, foreclosures, bankruptcies, tenancies, judgments, tax liens, other liens, insurance issues, or governmental actions that could affect title to the property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Room additions or structural changes to the property during your ownership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Problems caused by fire, smoke, or water to the property during your ownership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Drainage, soil stability, atmosphere, or underground problems affecting the property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Erosion or erosion control affecting the property	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Flood hazards, wetlands, or flood hazard designations affecting the property	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. Flood insurance covering the property	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- A. Describe any green energy, recycling, sustainability or disability features for the property: NONE
- B. Describe any Department of Motor Vehicles titled manufactured housing on the property: NA

Owner: () () Purchaser () () acknowledge receipt of a copy of this page which is page 3 of 5.

VI. BURIED, UNBURIED, OR COVERED PRESENCE OF THE FOLLOWING: LEAD BASED PAINT, LEAD HAZARDS, ASBESTOS, RADON GAS, METHANE GAS, STORAGE TANKS, HAZARDOUS MATERIALS, TOXIC MATERIALS, OR ENVIRONMENTAL CONTAMINATION

A. Describe any known property environmental contamination problems from construction, repair, cleaning, furnishing, intrusion, operating, toxic mold, methamphetamine production, lead based paint, lead hazards, asbestos, radon gas, methane gas, formaldehyde, corrosion-causing sheetrock, storage tanks, hazardous materials, toxic materials, environmental contamination, or other: no

VII. EXISTENCE OF A RENTAL, RENTAL MANAGEMENT, VACATION RENTAL, OR OTHER LEASE CONTRACT ANTICIPATED TO BE IN PLACE ON THE PROPERTY AT THE TIME OF CLOSING

A. Describe the lease terms and any leasing problems, if any: no

B. State the name and contact information for any property management company involved (if any): no

C. Describe known outstanding charges owed by tenant for gas, electric, water, sewer, and garbage: no

VIII. THE EXISTENCE OF A METER CONSERVATION CHARGE, AS PERMITTED BY SECTION 58-37-50 THAT APPLIES TO ELECTRICITY OR NATURAL GAS SERVICE TO THE PROPERTY

A. Describe any utility company financed or leased property on the real property: no

B. Describe known delinquent charges for real property's gas, electric, water, sewer, and garbage: no

IX. PLEASE USE THE SPACE BELOW FOR "YES" ANSWER EXPLANATIONS AND ATTACH ANY ADDITIONAL SHEETS OR RELEVANT DOCUMENTS AS NEEDED

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PROPERTY IN FLOOD ZONE & FLOOD INSURANCE + EDEGG'S FLOOD INSURANCE IN EFFECT

Owner: () () Purchaser () () acknowledge receipt of a copy of this page which is page 4 of 5.

This disclosure does not limit the obligation of the purchaser to inspect the property and improvements which are the subject of the real estate contract. Purchaser is solely responsible for conducting their own off site conditions and psychologically affected property inspections prior to entering into a real estate contract. The real estate licensees (acting as listing or selling agents, or other) have no duty to inspect the on site or off site conditions of the property and improvements. Purchaser should review all applicable documents (covenants, conditions, restrictions, bylaws, deeds, and similar documents) prior to entering into any legal agreements including any contract. The South Carolina Code of Laws describes the Residential Property Condition Disclosure Statement requirements and exemptions at § 27-50-10 (and following) which can be read online (www.scstatehouse.gov or other websites).

Current status of property or factors which may affect the closing:

- Owner occupied
- Short sale
- Bankruptcy
- Vacant (How long vacant?) _____
- Leased
- Foreclosure
- Estate
- Other: _____

A Residential Property Condition Disclosure Statement Addendum is is not completed and attached. This addendum should be attached if the property is subject to covenants, conditions, restrictions, bylaws, rules, or is a condominium.

Owner acknowledges having read, completed, and received a copy of this Residential Property Condition Disclosure Statement before signing and that all information is true and correct as of the date signed.

Owner Signature: [Signature] Date: _____ Time: _____

Owner Printed Name: _____

Owner Signature: _____ Date: _____ Time: _____

Owner Printed Name: _____

Purchaser acknowledges prior to signing this disclosure:

- Receipt of a copy of this disclosure
- Purchaser has examined disclosure
- Purchaser had time and opportunity for legal counsel
- This disclosure is not a warranty by the real estate licensees
- This disclosure is not a substitute for obtaining inspections of on site and off site conditions
- This disclosure is not a warranty by the owner
- Representations are made by the owner and not by the owner's agents or subagents
- Purchasers have sole responsibility for obtaining inspection reports from licensed home inspectors, surveyors, engineers, or other qualified professionals

Purchaser Signature: [Signature] Date: 12/23/16 Time: _____

Purchaser Printed Name: Goyce Lannione

Purchaser Signature: [Signature] Date: _____ Time: _____

Purchaser Printed Name: RICHARD L. LANNIONE



STATE OF SOUTH CAROLINA
RESIDENTIAL PROPERTY CONDITION
DISCLOSURE STATEMENT ADDENDUM



Prior to signing contract, owner shall provide this disclosure addendum to the purchaser if the property is subject to a homeowners association, a property owners association, a condominium owners association, a horizontal property regime, or similar organizations subject to covenants, conditions, restrictions, bylaws or rules (CCRBR). These organizations are referred to herein as an owners association.

Purchasers should review the applicable documents (covenants, conditions, restrictions, bylaws, deeds, condominium master deed, and similar documents), all related association issues, and investigate the owners association prior to entering into any legal agreements including a contract. Owners association charges include any dues, fees, assessments, reserve charges, or any similar charges. Purchasers are solely responsible to determine what items are covered by the owners association charges.

Property Address: 31 FORT WALKER DR. HILTON HEADS SC 29928

Describe owners association charges: \$ _____ Per _____ (month/year/other)

What is the contact information for the owners association? _____

As owner do you have any actual knowledge of answers to the following questions?
Please check the appropriate box to answer the questions below.

	Yes	No	Representation
1. Are there owners association charges or common area expenses? <u>FOR FEE</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Are there any owners association or CCRBR resale or rental restrictions? <u>RIGHT OF REFUSE</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Has the owners association levied any special assessments or similar charges?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Do the CCRBR or condominium master deed create guest or visitor restrictions? <u>NA</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Do the CCRBR or condominium master deed create animal restrictions? <u>NA</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Does the property include assigned parking spaces, lockers, garages or carports?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Are keys, key fobs or access codes required to access common or recreational areas?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will any membership other than owner association transfer with the properties?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Are there any known common area problems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Is property or common area structures subject to South Carolina Coastal Zone Management Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. Is there a transfer fee levied to transfer the property?*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(* Question does not include recording costs related to value or deed stamps.)

Explain any yes answers in the space below and attach any additional sheets or relevant documents as needed: _____

Owner signature: [Signature] Date: _____ Time: _____

Owner signature: _____ Date: _____ Time: _____

Purchaser signature: Jay Lawrence Date: 12/12/16 Time: _____

Purchaser signature: Renee L. Lawrence Date: 12/13/16 Time: _____



RICHARD L. LANCIONE
65321 THREE HILLS DR.
BELLAIRE, OH 43008

2644
09/30/19

12-13-16 Date

Pay to the
Order of

CAROLINA REALTY GROUP

\$ 40,000.00

FORTY THOUS AND -

Dollars

UNITED BANK



For DEPOSIT

Richard L. LANCIONE

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