

**IN THE CIRCUIT COURT OF SUMNER COUNTY, TENNESSEE  
AT GALLATIN**

**DEIRDRA RANSOM, AMANDA RANSOM,  
and AMELIA RANSOM,** )

**Plaintiffs,** )

**v.** )

**LEGENDS BANK,** )

**Defendant.** )

**Civil Action No. 83cc1-2018-cv-589  
Jury Demand**

**FILED  
3:58 P M**

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**COMPLAINT**

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**JUN 15 2018**

**KATHRYN STRONG, CLERK  
BY YMB D.C.**

**I. INTRODUCTORY/JURISDICTIONAL STATEMENT**

Plaintiffs Deirdra Ransom (hereinafter "Ms. Ransom"), Amanda Ransom and Amelia Ransom are residents of Gallatin, Sumner County, Tennessee, residing at 931 Red River Road, and a mailing address of P.O. Box 24216, Nashville, TN 37202. Defendant Legends Bank is a for-profit domestic corporation situated within the State of Tennessee, with a principal address at 310 First Street, Clarksville, Montgomery County, Tennessee 37040, and with a Registered Agent, Billy P. Atkins, at the same address. Defendant is a federally-insured lending institution. Ms. Ransom presents claims based upon the following: (1) Fraud; (2) Violations of the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. § 1681, et seq.; (3) Entitlement to an equitable lien based upon a finding of constructive trust; and, (4) a discrete state law claim of credit defamation. As a transitory action, venue and jurisdiction are appropriate for Sumner County, Tennessee, pursuant to Tennessee Code Annotated § 20-4-101(a).

**II. DESCRIPTION OF MATERIAL FACTS**

1. At all times pertinent to the matters alleged below, Plaintiffs and the Defendant (Legends Bank) were engaged in the relationship of Borrower and Lender. Specifically, Plaintiffs

sought and received credit from Defendant Legends Bank for the purchase of the property located at 931 Red River Road, Gallatin, Tennessee.

2. In July 2015, Plaintiffs presented to the Defendant a plan for a business loan (“event venue”) usage of the above-referenced property, which is more particularly described below, with the understanding that the property would be used for business and residential purposes. The property is more particularly described as follows:

Land situated in the 9<sup>th</sup> Civil District of Sumner County, Tennessee, as follows:

Beginning at an iron pin in the center of Station Camp Creek at the south edge of Highway No. 25 right of way, this being the northeast corner of the within described property; thence North 67 deg. West, 270 feet to an iron pin; thence North 71 deg. 15’ West, 92 feet to an iron pin; thence South 18 deg. 45’ West, 555 feet to an iron pin; thence South 71 deg. 15’ East 140 feet, more or less, to the center of Station Camp Creek; thence North 40 deg. 45’ East, 150 feet, more or less, to an iron pin; thence North 43 deg. 00’ East, 430 feet to the point of beginning.

Said land in bounded on the north by Highway No. 25; on the east by Station Camp Creek; on the South by Sam Belote (Hale) and on the west by Sam Belote (Hale).

Being the same property conveyed to Plaintiff Deirdra L. Ransom by warranty deed from Edwin Fernando Padilla-Perez and wife, Rebecca Padilla, dated October 9, 2015, and filed for record in the Register’s Office of Wilson County, Tennessee, by instrument appearing of record in Record Book 4195, p. 703 of the Register’s Office of Sumner County, Tennessee.

3. Having relocated from Denver, Colorado to Tennessee in 2013, Ms. Ransom expended substantial time evaluating the real estate market in Nashville and contiguous areas, looking primarily for a historic property. Ms. Ransom was referred to Legends Bank by a local realtor for the express purpose of obtaining a business loan to assist in the acquisition and occupancy of the property.

4. In furtherance of that effort, Ms. Ransom met with a business banker at Legends Bank in Green Hills, Nashville in July 2015, and followed all instructions in the completion of the appropriate loan application, in a timely manner. The plan was structured instead, by the Bank as a residential mortgage, to be processed contemporaneously with a business loan for the necessary

capital needed for the commencement of the business. Ms. Ransom's initial objective was to obtain a business loan. However, she was instructed by the loan officer that she must first proceed with a residential loan, and was assured that the business loan would follow.

5. The above-referenced property was appraised, at that time, as an "as is" valuation with a proposed sale price of \$325,000.00, an amount that was at least equaled (or was less than) the fair market value. Ms. Ransom had pre-qualified by Legends Bank for a \$500,000.00 loan. Nothing pertaining to the condition of the property, its fair market value, or Ms. Ransom's overall financial strength would have precluded the immediate implementation of permanent financing for the Plaintiffs, which would have entirely concluded the matter. The significant loan appraisal, relied upon by the Plaintiffs and the Bank, contained the following specific words:

**"Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? (Checked "no")."**

Below that, the following notation appeared:

**"No apparent physical deficiencies or adverse conditions were noted."**

On page 206 of the appraisal:

**"This appraisal is made "as is."**

With no further notations in that section indicating that any modifications or improvements were required for the loan to immediately close.

With that foregoing wording, the property carried an appraisal of \$325,000.00, "as is," with Ms. Ransom's pre-qualification further supporting the immediate closure of the transaction, by her qualification for a \$500,000.00 loan.

6. At no time did the Defendant Bank ever demonstrate to the Plaintiffs any reason for delaying, or reversing, its decision to promptly close the loan under permanent financing terms. Instead, for reasons not known to the Plaintiffs, the Defendant Bank offered conclusory excuses to the Plaintiffs which led to the unnecessary, and financially-detrimental, so-called "bridge loan"

(interest only) that proved to be not only unnecessary, but disastrous to the Plaintiffs, leading to the present litigation, and the permanent financial harm caused to Plaintiffs.

7. As of October 2015, no factual or legal justifiable reason existed for the failure of Legends Bank to honor its promises to Ms. Ransom to close the transaction with permanent financing. Any subsequent reasons or excuses offered to Ms. Ransom were constituted fabrications, embellishments, or outright fabrications, including falsified documents, as hereinafter referenced.

8. Contrary to the initial promises made to Ms. Ransom, and with no explanation or excuse, factual or legal, the Defendant Bank required prior to the October 9, 2015, a so-called one-year, interest only "bridge loan," purportedly in order to afford additional time for the obtaining and processing of a permanent loan. Ms. Ransom reiterates the allegation that no factual or legal basis existed, prior to that date, that would have justified such a delay.

9. In contrast to the estimated \$6,500.00 down payment that would have been required by the traditional FHA loan, Legends Bank advised Ms. Ransom, only days prior to the closing, that she would instead be required to tender the sum of \$37,211.10 of her saved funds as the closing down payment. Having no choice or alternative, and having relied upon the Bank's apparently false assurances, Ms. Ransom complied.

10. With an expiration date of the original one-year interest only bridge loan pending by October 9, 2016, Ms. Ransom continued her cooperative efforts with the Defendant Bank to convert the interest only bridge loan into the promised permanent financing. Ms. Ransom received consistent encouragement from the Bank officers. As initially requested, and subsequently required by Defendant Bank, Ms. Ransom, in the intervening months while she serviced the bridge loan effected substantial, expensive repairs on the historic property. Those substantial sums of money (total approximately \$100,000.00) were effected by Ms. Ransom solely in reliance upon the repeated, false promises of the Defendant Bank's representatives regarding the intention of the

Bank to comply with its original promises regarding permanent financing. Ms. Ransom asserts that those expenditures by her greatly enhanced the value of the above-referenced real estate, constituting facts that would justify the imposition of an equitable lien, through constructive or resulting trust principles.

11. On August 31, 2016, David Monfore, a business banker with Legends Bank, advised Ms. Ransom that she would not receive from the Bank the contemplated, promised permanent, fixed residential mortgage. That statement was made, notwithstanding the fact that she had previously been pre-qualified for the loan, up to \$500,000.00. Further, the Defendant Bank had confirmed to her in writing her qualification for such financing.

12. During the initial period of the bridge loan financing, Ms. Ransom asserts that her general financial circumstances, the value (in fact, improvement) of the house, and her compliance with the Bank instructions had not changed in any material manner. No basis existed for the Defendant Bank to reverse its promises, particularly in view of its awareness that Ms. Ransom had expended over \$100,000.00 in good faith, in reliance on the Defendant Bank's promises for the permanent financing. As of October 2016, no factual or legal reason existed for the bank to reverse its promise to Ms. Ransom regarding permanent financing, and a final closure of the loan transaction.

13. As of March 2017, Ms. Ransom had continued to receive monthly billing invoices and promptly made all due interest payments on the loan. The Bank sent no billing statement after April 2017. The final invoice received by Ms. Ransom was for the alleged balance due on the loan, and no subsequent invoices were forwarded.

14. Plaintiffs assert that Defendant Legends Bank, through its knowledge of their general circumstances, was fully aware during the timeframe referenced above that its duplicitous conduct toward Plaintiffs had placed them in an untenable financial situation, that was beyond Ms. Ransom's direct ability to control or correct. It remained within the Defendant Bank's ability to

immediately correct or ameliorate the problem. For reasons that remain unknown to the Plaintiffs, the Defendant Bank simply elected to ignore its promises to Ms. Ransom, despite her detrimental reliance on both written and verbal promises pertaining to the intentions of the Bank for permanent financing, during the pendency of the bridge loan.

15. In August 2016, Ms. Ransom had exhausted her discussions with representatives of Defendant Legends Bank, having received no explanation regarding the Bank's inexplicable conduct, and, instead, being provided inconsistent answers and further wavering promises regarding Ms. Ransom's potential for permanent financing. As of June 28, 2017 (as Ms. Ransom had received no further invoices), Ms. Ransom advised Defendant's representative, Billy Atkins, that she (acting out of desperation) had applied for an alternative, fixed residential mortgage loan with another company. Ms. Ransom learned, as her alternative efforts progressed, that the Defendant Bank had falsely reported "late payments." Ms. Ransom learned that those false reports would require clarification or correction in order for the permanent financing to be finalized. Any "lateness" was a contrived, or orchestrated "lateness" caused not by the Plaintiff, but by representatives of Defendant Legends Bank through the events described above.

16. Billy Atkins, in related conversations, advised Ms. Ransom that Defendant Legends Bank would cooperate with her efforts. A confirming "pre-qualification letter" was forwarded to Mr. Atkins by the alternative lending institution. The letter was, in fact, delivered on four separate occasions to Mr. Atkins, and produced no immediate contrary response from Mr. Atkins which would have suggested to Plaintiff, or the alternative lender, any plan other than the promised plan related to Ms. Ransom by Mr. Atkins regarding "removal of the lates."

17. On July 5, 2017, Ms. Ransom attended a meeting at Legends Bank in Clarksville that included her son, the mortgage broker involved in the alternative "pre-qualification confirmation" and other bank employees. It was clearly understood in that meeting that the purpose of the discussion was to eliminate any vagueness, on the part of either Ms. Ransom or the

Bank, about what steps needed to be taken in order to pay Legends Bank in full the amount it was owed, in an expeditious manner, and to further facilitate the final permanent financing with the alternative lender. The foregoing point is reaffirmed, in writing, in the pre-qualification letter, as the parties repeatedly emphasized, in their discussions, that Legends Bank would cooperate with the promised removal of the incorrectly reported “lates” that Legends Bank had caused to be entered upon Ms. Ransom’s credit reports.

18. At the above-referenced meeting, Mr. Atkins produced a document stating that Defendant Legends Bank would require payments for April through July to be paid “... **in exchange for removing the lates.**” Incorrectly, a purported \$22,104.13 late fee that had been imposed was to be entirely removed as a part of the agreement, all of which was contingent upon the clearly understood, clearly-defined agreement that, upon Plaintiffs tendering to Defendant Legends Bank the sum of \$5,267.46, the “lates” would be removed; that removal would facilitate an immediate closing on the permanent financing with the alternative lender; and, in furtherance thereof, Legends Bank would be paid its balance due immediately. No ambiguity existed in the discussion, and the parties concluded the meeting with that clear understanding.

19. Plaintiffs emphasize that the removal of the “lates” was the only prerequisite, contingency or condition, of any type or nature, for the permanent loan to be closed and funded, clearing the entire indebtedness owed to Legends Bank. As of the present date (of the filing of the Complaint), no information has been tendered to the Plaintiffs or their counsel that would support any allegation to the contrary.

20. Ms. Ransom affirms that both she and the mortgage officer for the alternative lender repeatedly, verbally, and in writing, expressed to Mr. Adkins and the Defendant Bank’s attorney, the requirement that permanent financing could not be procured, or the transaction closed, until the sole impediment to that closing (the so-called “lates” that had been incorrectly filed with the credit bureaus) were removed. The alternative permanent lender submitted a pre-qualification

letter to the Defendant in reliance upon the promises made of the meeting. At no point did any material change occur that would have modified the nature or scope of the parties' exchanged promises.

21. In subsequent contacts with the various credit reporting agencies (including Experian), Ms. Ransom later learned that Defendant Legends Bank had, despite receiving from the Plaintiffs the payment of \$5,267.40, inexplicably refused to confirm in any manner the "clarification" that the "late" charges report was, in fact, inaccurate or false, and that the erroneous reports of default or late payments were incorrect and should have been removed.

22. Following repeated efforts to obtain and finalize the Defendant Bank's "clarification" or "correction" of the false credit reports, the Defendant inexplicably and abruptly changed its position on August 9, 2017 (having received the payment it had demanded as quid pro quo), then stating to Ms. Ransom that it would be "illegal" for the Bank to remove the reports of late payments, notwithstanding the fact that all parties had agreed in the earlier meeting that the underlying facts were essentially erroneous, and that the purported "default" had not been occasioned by anything caused or done by Ms. Ransom, but, in fact, was the direct and proximate result of the Bank's own failure to avoid the default deadline – a matter entirely and exclusively under the control of the Bank, rather than Ms. Ransom.

23. The subsequent allegation by Defendant Bank that the removal of the reported "lates" was "illegal" was in fact a false statement, which was either known by the Defendant to be false at the time the above agreement was made, or, in the exercise of ordinary care, should have been known by the Defendant Bank to be a false statement. Ms. Ransom asserts that, as a matter of law, the Bank's erroneous, mistaken or fraudulent mishandling of Ms. Ransom's permanent financing arrangement, justified, by every applicable legal definition, a truthful and accurate report to the credit reporting agencies that Ms. Ransom had, at no time, defaulted on any aspect of the loan. It is the Defendant Bank that defaulted, not the Plaintiffs.



24. Ms. Ransom was induced by the Defendant Bank's fraudulent conduct to tender the sum of Five Thousand Two Hundred Sixty-Seven and 46/100 Dollars (\$5,267.46) by the false promise that it would take all necessary steps to correct the false report of delinquency on the loan, thereby facilitating the effecting of the permanent financing through the alternative lender, which would have promptly and immediately paid Defendant Legends Bank in full the entire principal and accrued interest that it was owed.

25. As the direct and proximate result of Defendant Legends Bank failing to comply with its promise to provide truthful and correct clarification regarding the absence of any "bridge loan" delinquency, Ms. Ransom was subsequently unable to effect the closure of the alternative permanent financing that had been guaranteed, thereby clearing the outstanding Defendant Legends Bank "bridge loan."

26. It is alleged that Defendant Legends Bank had no actual intent at the meetings on July 5 and July 21, 2017 to clarify the truthful, non-default status of the bridge loan.

27. Ms. Ransom emphasizes that, immediately contemporaneous with the tendering of the quid pro quo payment by her of \$5,267.40 (four payments), Ms. Ransom personally delivered to the Bank a written statement (which had been requested by Experian to supplement the earlier verbal verification). The Defendant Bank and its attorney reviewed the document, made revisions, and executed it on that date, unequivocally agreeing to finalize the corrective steps regarding the false report. The document was signed, and the money paid, with Ms. Ransom departing that meeting on July 21, 2017 feeling assured that the correction would be made; the permanent financing would be finalized; and that Defendant Legends Bank would be paid in full within days. Inexplicably, when the alternative lender presented the "agreement/clarification" to the three major credit reporting agencies, all appeared to be prepared for final resolution, but "Experian" requested a further verbal confirmation from the Defendant Bank, effectively reaffirming the plain language of the content of the letter that, presumably, was based upon Experian's desire to confirm that the

letter was authentic, rather than challenging any of its content. For reasons that remain unexplained as of this date, Defendant Bank simply repudiated the plain meaning of the signed agreement, by returning to its verbal conclusion to Ms. Ransom that such a concept to the false statement would be “illegal.”

28. As the direct and proximate result of the foregoing series of fraudulent and improper actions by Legends Bank, Ms. Ransom was unable to finalize her (otherwise guaranteed) alternative financing arrangement, and permanent financing could not be obtained. That inability to obtain permanent financing solely and exclusively resulted from the fraudulent conduct of Defendant Legends Bank, rather than any other factual or legal consideration.

29. Ms. Ransom submitted a complaint to the FDIC regarding the duplicitous and misleading practices of the Defendant in the events described above. Upon receiving the Defendant Bank’s replies to the FDIC complaint, it became known, for the first time, to the Plaintiff, that certain unknown representatives/employees/agents of the Defendant Bank had patently falsified various records, both by forgery and by instrument modification/alteration. Those forgeries and modifications, copies of which are attached to the Complaint, and incorporated herein by reference as though expressly set forth, constituted unlawful material alterations, within the meaning of the legal authorities cited herein, and relied upon by the Plaintiffs as a basis for asserting that no sums of money may be claimed by the Defendant from the Plaintiffs due to nullification or cancellation of the note. In compliance of the pleading requirements of T.R.C.P. Rule 8, pertaining to fraudulent conduct, Plaintiffs assert the following:

- (a) Attached as Exhibit “A” to the Complaint is a **forged signature** that purports to be the signature of “Chuck Klumb” (p. 4 of 5 of the “Uniform Residential Loan Application of September 4, 2015);
- (b) Ms. Ransom asserts that the purported signature of “Chuck Klumb” on the “Addendum to Uniform Residential Loan Application” (attached as Exhibit “B” to the Complaint) prepared by Defendant Legends Bank, and dated September 3, 2015, is a **forgery**, with the forgery effected by an unknown agent or representative of Defendant Legends Bank;

- (c) Attached as “Exhibit C” to the Complaint is a purported “Lender’s Certificate,” purportedly dated September 3, 2015 (p. 4), and purportedly bearing the signature of “Chuck Klumb,” contains a **forgery**, and not the actual signature of Chuck Klumb;
- (d) Attached as Exhibit “D” to the Complaint is an instrument entitled “Borrower Acknowledgment, Receipt of GFE” that purports to bear the signature of Chuck Klumb, dated September 3, 2015. Ms. Ransom asserts that the signature is a **forgery**, and is not the signature of Chuck Klumb, and that the instrument was signed by an unauthorized person who did so with the authorization or ratification of Defendant Legends Bank, as a Legends Bank employee or agent;
- (e) On the “Uniform Residential Loan Application,” the purported signature of Deirdra L. Ransom (in the upper left corner) is in fact, the signature of Deirdra L. Ransom, but it was not affixed to that document by Ms. Ransom. It is attached as Exhibit “E.” The undersigned makes oath that she had never seen the document before, and that, by “cut and paste” or similar subterfuge, her signature was added as a **fraudulent alteration**. Ms. Ransom made no direct entry of her signature on that document, at any place;
- (f) Further, on the same instrument referenced above, an entirely different purported signature appears on p. 4 of 5, with a purported signing date of September 29, 2015 (Attached as Exhibit “F” to the Complaint). The **forged signature** patently is not the signature of Deirdra L. Ransom, and bears no resemblance to the signature that appears two pages earlier, that was cut and pasted. Further, Ms. Ransom’s first name is misspelled;
- (g) Attached as Exhibit “G” to the Complaint is a document bearing the **forged signature of Deirdra L. Ransom** (p. 5 of 5 of the “Uniform Residential Loan Application”). Ms. Ransom makes oath that that signature is patently not her signature, and is also misspelled. To an untrained layman, the obvious falsity of the signatures is demonstrated at a glance. For reasons not known to the Plaintiff, the Defendant falsified the Application by **forgery and alteration**. The date is also falsified and entered by an employee or agent of the Defendant, unknown to Ms. Ransom;
- (h) Attached as Exhibit “H” to the Complaint is an instrument that was initially prepared by Ms. Ransom as a “template” for what she planned to use in furtherance of her efforts to finalize a loan with the Defendant. However, upon being advised by Mr. Monfore that Ms. Ransom absolutely would not receive any loan, under any circumstance, the “template” was never utilized by her with the Defendant Bank for any purpose. It remained, however, in the Bank’s possession, and was subsequently **modified, altered, and exploited for fraudulent purposes**. Specifically, it was utilized for the purpose of preparing a false narrative for submission to the FDIC. The signature on Exhibit “H” is indeed the signature of Deirdra Ransom. The date is patently false. She tendered it to the Defendant Bank with no date,

and, upon receipt of the FDIC complaint, the Defendant Bank falsely entered the date, in furtherance of the Defendant Bank's "false narrative" that has been entered below for self-serving purposes in order to make it appear to the FDIC that Ms. Ransom no longer wanted a loan from the Bank; or that she had not applied for a loan; or that the loan application was incomplete. Ms. Ransom asserts that the entries made, with the dates referenced, were falsified by Defendant Legends Bank employees only after they had received the FDIC complaint, for the purpose of effecting an exculpatory, false narrative in answering to the FDIC for the numerous allegations leveled by Ms. Ransom in her Complaint.

- (i) Attached as Exhibit "I" to the Complaint is a purported certified mail receipt, provided by Defendant in responding to the FDIC complaint. Ms. Ransom affirms under oath that the document is addressed to a location where the Plaintiffs are known by the Defendant to not receive their mail, and contains a signature that is not Ms. Ransom's, and was entered by some unknown person.
- (j) Attached as Exhibit "J" to the Complaint is a document that purports to be an envelope mailed to Ms. Ransom. It is asserted by the Plaintiffs that the letter was addressed to the "Red River Road address," known by the Defendant to be an address where the Plaintiffs do not receive mail. For reasons unknown, the Defendant covered the address on the letter prior to sending a copy to the FDIC. Falsely, on the accompanying document (the reverse side) reflects entry of the correct address at "P.O. Box 24216." Plaintiffs always receive mail at that address. It is obvious from those attachments that the document submitted to the FDIC was intended to mislead the FDIC about the purported mailing to Ms. Ransom at her post office box. That representation to the FDIC was presented, it is believed, in furtherance of the efforts by Defendant Legends Bank to convince the FDIC that they had made good faith efforts to communicate with Ms. Ransom, and that she had failed to respond. Exhibit "J" is an example of a pattern of fraudulent conduct in document alteration perpetuated by Defendant Legends Bank.
- (k) Attached as Exhibit "K" to the Complaint is a fraudulent document that was generated by Defendant Bank under circumstances unknown to Ms. Ransom. Ms. Ransom has had no telephone call, letter, or contact of any type with "George R. Archer, Jr." at any time, May 4, 2017, or otherwise. The May 4, 2017 date would have occurred after the extension of the bridge loan by the Defendant Bank and would have no context or meaning. Ms. Ransom asserts that no such note was sent to her at that time, and that she was never aware of any such claimed communication until she received documents from the FDIC, as the Defendant Bank prepared other false, exculpatory reasons for the mishandling of the loan. Despite the urgency implied in the "note," no previous or subsequent formal correspondence ever communicated any of "Mr. Archer's" thoughts or concerns to the Plaintiffs.

30. Defendant Legends Bank has purported to undertake a void and fraudulent foreclosure effort against the property and is presently undertaking efforts to evict the Plaintiffs from the premises.

### **III. PLAINTIFFS' LEGAL CLAIMS**

1. **Common Law Fraud and Instrument Alteration.** Plaintiffs assert entitlement to an equitable lien on the property, upon theories of constructive or resulting trust, based upon the facts detailed above. Specifically, in reliance on the false promises, and duplicitous conduct of the Defendant Bank in the series of transactions described above, Ms. Ransom tendered to the Defendant Bank substantial sums of money that the Bank presently wrongfully retains, and to which Ms. Ransom is entitled to be refunded. Further, in reliance upon statements of false fact and false promises (promissory fraud/estoppel), Ms. Ransom expended on the subject property, the legal description of which is referenced above, more than One Hundred Thousand and No/100 Dollars (\$100,000.00) in improvement and down payment costs, which have equitably enhanced the value of the subject property, to the financial detriment of Ms. Ransom. Ms. Ransom asserts that she is entitled to damages proximately and directly from the fraudulent conduct of the Defendant Bank, including, but not limited to, the following: A refund of all sums of money paid to Defendant Bank, principal and interest; compensation for all improvements effected on the subject property, totaling approximately Seventy Thousand and No/100 Dollars (\$70,000.00); Damages for emotional distress, pain and suffering, embarrassment and humiliation caused by the Defendant's mistreatment of Ms. Ransom and her family. And, related damages (referenced below) for the loss of Ms. Ransom's credit reputation. Further, based upon the claims of purposeful fraud (and/or ratification by the Bank of its agents' fraudulent conduct), Plaintiffs seek punitive damages in the amount of Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00). Ms. Ransom asserts entitlement to an equitable lien, protected by lien lis pendens, to secure her ownership rights and interests in the above-described property.

2. **The FCRA Claim.** Plaintiffs assert that the FCRA was enacted to require that lending institutions and consumer reporting agencies adopt reasonable procedures for meeting the needs of commerce for consumer credit in a manner that is fair and equitable to the consumer, particularly with regard to the accuracy and relevancy of the information provided by lending institutions to the various credit reporting agencies. In that context, Plaintiffs assert that Defendant Legends Bank is a furnisher of credit information, and as such, it is subject to the statutory duties set forth in 15 U.S.C. § 1681(s)(2). A private right of action exists under the provisions of 15 U.S.C.A. § 1681(s)(2)(b), which imposes civil liability related to negligent or willful violations of the FCRA in furnishing false credit information which proves to be harmful to the consumer. Plaintiffs assert that the Defendant negligently or willfully violated the FCRA by falsely reporting information for which there was no reasonable factual basis (i.e., the delinquency of Ms. Ransom's account) when that information was known by the Defendant to be inaccurate, incomplete or false. As the direct and proximate result of the statutory violation, the Plaintiffs have sustained damages and are entitled to both compensatory and exemplary compensation.

3. **Common Law Credit Defamation.** Plaintiffs assert that the Defendant owed a common law duty of due care to properly and truthfully disseminate information regarding the status of Ms. Ransom's loan accounts and business transactions with Defendant Legends Bank. Based upon the factual allegations summarized above, the Defendant breached the duty of due care, proximately and directly causing substantial, immediate and long-term financial harm to Ms. Ransom, which continues to accrue due to false, incriminatory credit information improperly disseminated by Defendant Legends Bank. Due to the grossly reckless and/or intentional nature of the Defendant's conduct, motivated apparently by both bad faith and greed, exemplary damages are appropriate.

4. **Rescission of the Transaction and Cancellation of the Note.** Based upon the documented instrument alterations, modifications, and document manufacturing, all three effected

in bad faith and with a malicious motive, justifies a rescission of the parties' transaction. Further, Ms. Ransom is entitled to the Court's finding and declaration that the improper document modification justifies cancelling any and all indebtedness which she would otherwise have owed to the Defendant Bank, and a return to her of all sums she has paid to date, including both interest and principal payments. Plaintiffs assert that, where a material term is intentionally altered by an officer of the Bank, that alteration "... extinguishes the account for which they were given." Plaintiffs rely upon the cases of Columbia Grocery Company v. Marshall, 174 S.W. 1108 (Tenn. 1915) and Christian v. Pan Am Southern Corporation, 309 S.W.2d 378 (Tenn. App. 1957), both of which remain valid and current statements in relation to commercial instruments and civil contract law, reaffirming the public policy reasons for rendering void ab initio any debt or obligation, and further removing any basis for recovery, legal or equitable, from the offending party. Upon the allegation of intention alteration or forgery, the foregoing sanction is a mandatory (non-discretionary) public policy sanction, intended to dissuade similarly-inclined offending parties from unethical, bad faith conduct that would otherwise negatively impact the public benefit and general commerce. Plaintiffs further rely on the similar statutory basis for the same result: Tennessee Code Annotated § 47-3-407 (Alteration of Commercial Paper). Plaintiffs request a finding that the foreclosure was illegally effected, and based on a void, or cancelled, debt.

5. **Invalidity of the Detainer Warrant as to Plaintiffs Amanda Ransom and Amelia Ransom.** Plaintiffs Amanda Ransom and Amelia Ransom assert that they have continuously occupied the above residence by agreement with Defendant Bank, from the outset of the parties' business relationship, and that Defendant has been fully aware of Plaintiff Deirdra Ransom's circumstances in relation to her adult daughters' co-tenancy. Both daughters suffer from medical disabilities. Amanda Ransom, age 30, is diagnosed with Down's Syndrome. Amelia Ransom, age 24, is diagnosed with Multiple Sclerosis. Both are dependent upon their Plaintiff/Mother for assistance, and that fact was known to the Defendant at all times pertinent to the

allegations set forth herein. Upon expiration of the “bridge loan,” Plaintiff and her daughters, jointly and severally, became “tenants-at-will” or, alternatively, “periodic tenants,” with each entitled to a minimum of thirty (30) days’ written notice, for a full periodic term prior to the commencement of any detainer warrant. Plaintiffs Amanda Ransom and Amelia Ransom were not named, for due process purposes, in the detainer warrant proceedings in the General Sessions Court of Sumner County, and are now being ordered from the premises, in derogation of their lawful rights as a periodic tenant or tenant-at-will, without Court process mandated by T.C.A. § 29-18-101. The purported warrant (see attached) names only Deirdra Ransom, and does not name the other known identified adult/disabled occupants of the premises, in violation of both the Tennessee Detainer Warrant Statute and the mandatory requirements for persons with a disability as required by the following statutes: The Tennessee Human Rights Act, T.C.A. § 4-21-311 and T.C.A. § 4-21-312; the Tennessee Adult Protection Act, inclusive of the definitions set forth in T.C.A. § 71-6-102 (§ 71-6-101, et seq.).

T.C.A. § 29-18-118 (Unlawful Detainer) permits service on “any adult occupant” of the residence, but the known adult occupants/tenants must be named.

Ownership and title issues may not be litigated in the General Sessions Court detainer warrant proceeding, based upon T.C.A. § 29-18-119. Accordingly, there may be no res judicata effect to the proceedings, particularly as to parties who occupy the premises as tenants-at-will or periodic tenants, who were served with no process and given no opportunity to present a defense.

Effective service upon an “adult found in possession of the premises” (T.C.A. § 29-18-115) should not be treated as a derogation of the rights of a handicapped/incompetent adult whose name does not appear on the detainer warrant, notwithstanding Defendant’s certain knowledge that the handicapped person is as much a predominant resident of the subject premises as Deirdra Ransom, whose rights are no greater or lesser than those of Ms. Ransom.



Plaintiffs assert that the Defendant's knowing disregard of the handicap/incompetency status of Amanda Ransom constitutes a discriminatory housing practice, within the meaning of T.C.A. § 4-21-601 as a "condition" related broadly to "housing accommodation" practices. In furtherance of the requirements of the "Tennessee Disability Act (formerly the Tennessee Handicap Act), persons suffering from profound disabilities, such as Plaintiff Amanda Ransom, is entitled to due process, for the protection of her individual rights, and any discriminatory practice in that regard, is unlawful, and constitutes a violation of the foregoing statutes. Deirdra Ransom was not authorized to accept service of process for the Plaintiff daughters, Amanda Ransom and Amelia Ransom, and the absence of the daughters' names from any of the process (aside from service issues) voids the effect of the detainer warrant as to the Plaintiff daughters. Defendant is effectively attempting to oust Plaintiff Amanda Ransom from the above-referenced premises through the processes of a civil detainer warrant which requires her notice and participation, but does not mention her name.

It is asserted, as to Plaintiff Amanda Ransom, that the disregard of her status as a tenant-at-will, or periodic tenant, entitled to notice of the detainer warrant proceedings, constitutes a discriminatory practice, pursuant to the provisions of T.C.A. § 4-21-601 (Discriminatory Housing Practices Generally) as the ouster proceedings relate broadly to a "privilege ... of rental/housing accommodation ..." T.C.A. § 4-21-601. T.R.C.P. Rule 4.04(2) would permit process service upon the personal guardian of Amanda Ransom, but there is no authorization in any applicable statute which would permit, from a due process perspective, the failure to name as a party a mandatory "real party in interest" (T.R.C.P. Rules 17.01 and 17.03), Amanda Ransom, as a lawful tenant-at-will in the affected premises.

#### IV. SUMMARY


Plaintiffs seek the following relief from the Court:

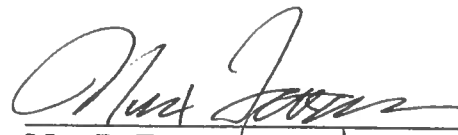
1. Judgment for compensatory and punitive damages totaling Three Million and No/100 Dollars (\$3,000,000.00);
2. Alternatively, a return of all sums of money paid by Ms. Ransom to the Defendant and advanced for the improvement of the above-referenced property, to be enforced through an equitable lien, upon a finding of constructive or resulting trust.
3. Plaintiffs seek such further and general relief to which they may be entitled, including assessment of all T.R.C.P. Rule 54 discretionary costs.

Respectfully submitted,

**BURGER, SCOTT & McFARLIN**

By Max D. Fagan  
with express permission

  
Wm. Kennerly Burger, (BPR) #3731  
Attorney for Plaintiffs  
12 Public Square North  
Murfreesboro, TN 37130  
Telephone: (615) 893-8933  
Facsimile: (615) 893-5333  
[kenburger@comcast.net](mailto:kenburger@comcast.net)

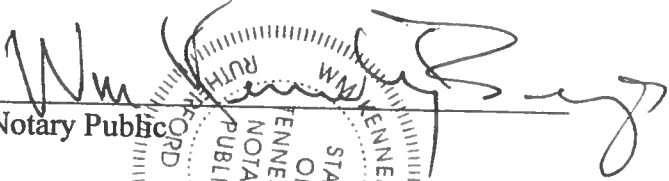
  
Max D. Fagan, BPR #16674  
Attorney for Plaintiffs  
315 Deaderick Street, Suite 1550  
Nashville, TN 37238  
Telephone: (615) 248-2500  
[maxfaganlaw.com](http://maxfaganlaw.com)  
[maxdfagan@hotmail.com](mailto:maxdfagan@hotmail.com)

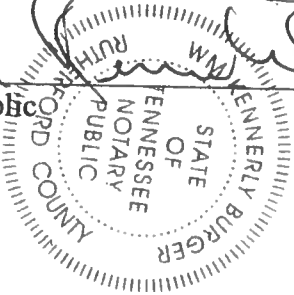
STATE OF TENNESSEE )  
 )  
COUNTY OF RUTHERFORD )

I, **DEIRDRA RANSOM**, after having been duly sworn, according to law, make oath that I have read the foregoing Complaint and that the facts and statements contained therein are true and correct to the best of my knowledge, information, and belief.

  
DEIRDRA RANSOM

Sworn to and subscribed before me, the undersigned, this 14<sup>th</sup> day of June, 2018.

  
Notary Public



My commission expires: 2-13-20

**VII: DETAILS OF TRANSACTION** **VIII: DECLARATIONS**

a. Purchase price	\$ 325,000.00
b. Alterations, improvements, repairs	
c. Land (if acquired separately)	
d. Refinance (incl. debts to be paid off)	
e. Estimated prepaid items	4,650.08
f. Estimated closing costs	5,213.48
g. PMI, MIP, Funding Fee	5,488.44
h. Discount (if Borrower will pay)	
i. Total costs (add items a through h)	340,252.00
j. Subordinate financing	
k. Borrower's closing costs paid by Seller	1,845.00
l. Other Credits (explain)	
Seller Credit	5,000.00
Other	0.00
Other	0.00
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	313,625.00
n. PMI, MIP, Funding Fee financed	5,488.00
o. Loan amount (add m & n)	319,113.00
p. Cash from/to Borrower (subtract); k, l & o from l)	14,494.00

If you answer "Yes" to any questions a through l, please use continuation sheet for explanation.

	Borrower		Co-Borrower	
	Yes	No	Yes	No
a. Are there any outstanding judgments against you?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Are you a party to a lawsuit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Are you obligated to pay alimony, child support, or separate maintenance? Is any part of the down payment borrowed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Are you a U. S. citizen?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Are you a permanent resident alien?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? (2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			PR	
			S	

**IX: ACKNOWLEDGEMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors or assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors, or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (including audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

**Acknowledgement.** Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate purpose through any source, including a source named in this application or a consumer reporting agency.

*Quintan L. Johnson* 9/4/15  
 Borrower's Signature  Date

Co-Borrower's Signature  Date

**X: INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information	<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input checked="" type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input checked="" type="checkbox"/> Native Hawaiian or Other Pacific Islander <input checked="" type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex: <input checked="" type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Loan Originator:  
 This information was provided:  
 in a face-to-face interview  By the applicant and submitted by fax or mail  
 in a telephone interview  By the applicant and submitted via e-mail or the internet

Loan Originator's Signature <input checked="" type="checkbox"/>	Date 09/03/2015
Loan Originator's Name (print or type) Kenneth Charles Klumb, Jr	Loan Originator Identifier 82676
Loan Origination Company's Name Legends Bank	Loan Origination Company Identifier 405426
(P) 931-572-1275 (F) 931-248-0129	Loan Originator's Phone Number (including area code) 931-572-1270/cklumb@legendsbank.com
Uniform Residential Loan Application Freddie Mac Form 95 7/06 (rev. 0/09)	Loan Origination Company's Address 310 North First St. Clarksville, TN 37040

EXHIBIT A

### HUDVA Addendum to Uniform Residential Loan Application

OMB Approval No. VA 2500-0141 (exp. 11/30/2016)  
HUD: 2502-0088 (exp 04/30/2017)

**Part I - Identifying Information** (mark the type of application)

VA Application for Home Loan Guaranty  HUDVA Application for Veterans Center the National Housing Act

2. Agency Case No. (Include any suffix) \_\_\_\_\_ 3. Lender's Case No. \_\_\_\_\_ 4. Section of the Act (for HUD Cases) \_\_\_\_\_

5. Borrower's Name & Present Address (Include Zip Code)  
**DEIRDRA L RANSOM**  
 P.O. Box 1347  
 Knoxville, TN 37901

6. Loan Amount (Check the VA/MIP/M for HUD or Funding Fee for VA) \$ **319,143.00** 7. Interest Rate **3.500 %** 8. Proposed Maturity **30 yrs.**

9. Disclosed Annual Fee (if borrower is permitted to pay) \$ \_\_\_\_\_ 10. Amount of Up-Front Premium \$ **5,498.44** 11. Amount of Monthly Premium \$ **222.16** 12. Term of Monthly Payment **360** months

13. Lender's ID Code **1480480007** 14. Sponsor/Agent ID Code **3089202008**

15. Property Address (including name of subdivision, lot & block no. & zip code)  
**931 Red River Road  
 Gallatin, TN 37066**

16. Lender's Name & Address (Include Zip Code)  
**Legends Bank  
 310 North First St  
 Clarksville, TN 37040**

17. Name & Address of Sponsor/Agent  
**Callbar Home Loans  
 PO Box 88088  
 Dallas, TX 75286**

18. Lender's Telephone Number  
**851-572-1270**

**VA:** The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described hereunder Section 3710, Chapter 37, Title 38, United States Code, which is not subject to the provisions of the Uniform Residential Loan Application and is subject to the provisions of the Uniform Residential Loan Application and is subject to the provisions of the Uniform Residential Loan Application.

19. VA File No. \_\_\_\_\_

20. VA Only: The loan will be insured by:  Veterans  Veterans & Spouse  Other (Specify) \_\_\_\_\_

21. Purpose of Loan Report (check all that apply):

<input checked="" type="checkbox"/> Purchase Existing Home, Previously Occupied	<input type="checkbox"/> Construct Home (Process to be paid out during construction)
<input type="checkbox"/> Home Improvement to Existing Property	<input type="checkbox"/> Finance Credit Purchase
<input type="checkbox"/> Refinance (Refi)	<input type="checkbox"/> Purchase Permanently Sited Manufactured Home
<input type="checkbox"/> Purchase New Construction	<input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot
<input type="checkbox"/> Purchase Existing Condo, Unit	<input type="checkbox"/> Refi. Permanently Sited Manufactured Home in Buy-Not-Build, Permanently Sited Manufactured Home/Lot
<input type="checkbox"/> Purchase Existing Home, Not Previously Occupied	

**Part II - Lender's Certification**

The undersigned lender makes the following certifications to insure the Department of Veterans Affairs to issue a certificate of completion to guarantee the insured loan is a Loan Guaranty Certificate under Title 38, U.S. Code, or to insure the Department of Housing and Urban Development Federal Housing Administration to issue a loan guaranty certificate under the National Housing Act. The loan terms furnished in the Uniform Residential Loan Application and the Addendum are true, accurate and complete.

The information contained in the Uniform Residential Loan Application and the Addendum was obtained directly from the borrower by an employee of the undersigned lender or by a duly authorized agent and is true to the best of the lender's knowledge and belief.

The credit report furnished on the subject borrower (and co-borrower, if any) was ordered by the undersigned lender or its duly authorized agent directly from the credit bureau which prepared the report and was received directly from the credit bureau.

The instruction of employment and verification of pay were requested through the lender or its duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief.

Items 20 through 21 are to be completed as applicable for VA loans only.

The names and functions of any duly authorized agents who developed on behalf of the lender any of the information or supporting credit data submitted are as follows:

Name & Address	Function (e.g., obtained information on the Uniform Residential Loan Application; ordered credit report; verification of employment; deposit, etc.)

I do hereby certify that the undersigned lender certifies that all information and supporting credit data were obtained directly by the lender, through the lender's employee and agent, and is responsible for the violation, error, or acts of agents identified in Item II-5 to the lender.

The proposed loan conforms with the applicable provisions of Title 38, U.S. Code, and of the regulations concerning guaranty of mortgages of loans to veterans.

Signature of Officer or Lender: \_\_\_\_\_ Title of Officer of Lender: \_\_\_\_\_ Date (month/year): **9/18/17**

Signature of Lender: \_\_\_\_\_ Loan Officer: **22576**

**Part III - Notice to Borrowers:** Every reporting lender, in the collection of information is obligated to average 8 minutes per response, including the time for reviewing responses, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This can be reduced on the OMB Internet site at <http://www.reg.gov>. For more information on OMB's initiative to reduce the burden of collection of information, contact the OMB control number and 1216-0187 at [www.omb.gov](http://www.omb.gov) for HUDVA. The Data Collection Act of 1972, Public Law 92-275, and HUDVA Addendum is authorized by 38 U.S.C. 3710 (b) (5) (DVA) information regarding your file. HUD may use VA data to conduct a credit check to verify the information you provide. HUD may also use certain related records of HUD or VA, except as required and permitted by law. This information will be used to determine whether you qualify as a borrower. No disclosure of information outside VA or HUDVA will be made any as permitted by law. Failure to provide any of the requested information, including this, may result in denial of the loan.



**Borrower's Certificate**

The undersigned certifies that:

(a) I will not have outstanding any other unpaid obligations contracted in connection with the mortgage transaction or the purchase of the said property except obligations which are secured by property or collateral owned by me independently of the said mortgaged property, or obligations approved by the Commissioner;

(b) One of the undersigned intends to occupy the subject property. (note: this item does not apply if owner-occupancy is not required by the commitment);

(c) All charges and fees collected from me as shown in the settlement statement have been paid by my own funds and no other charges have been or will be paid by me in respect to this transaction;

(d) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of or otherwise make unavailable or deny the dwelling or property covered by this loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and any such covenant is hereby specifically disclaimed. I understand that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for a violation of this certificate.

Borrower(s) Signature(s) & Date

*Kenneth Charles Klumb, Jr.* 9/14/15

**Lender's Certificate**

The undersigned certifies that to the best of its knowledge:

(a) The statements made in its application for insurance and in this Certificate are true and correct;

(b) The conditions listed above or appearing in any outstanding commitment issued under the above case number have been fulfilled;

(c) Complete disbursement of the loan has been made to the borrower, or to his/her creditors for his/her account and with his/her consent;

(d) The security instrument has been recorded and is a good and valid first lien on the property described;

(e) No charge has been made to be paid by the borrower except as permitted under HUD regulations;

(f) The copies of the credit and security instruments which are submitted herewith are true and exact copies as executed and filed for record;

(g) It has not paid any kickbacks, fee or consideration of any type, directly or indirectly, to any party in connection with this transaction except as permitted under HUD regulations and administrative instructions.

I, the undersigned, as authorized representative of Legends Bank at this time of closing of this mortgage loan, certify that I have personally reviewed the mortgage loan documents, closing statements, application for insurance endorsement, and all accompanying documents. I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4.

Lender's Name Legends Bank		Note: If the approval is executed by an agent in the name of lender, the agent must enter the lender's code number and title.	
Title of Lender's Officer Loan Officer #2678		Code Number (6 Digits)	Type
Signature of Lender's Officer <i>[Signature]</i>		Date 9/13/15	





**BORROWER ACKNOWLEDGEMENT  
RECEIPT OF GFE**

I/we do hereby acknowledge that I/we received the Initial Good Faith Estimate, Truth In Lending Disclosures, and Settlement Service Providers list & Fee Schedule within (3) business days of the application date. We were not charged any fee(s) prior to receipt of these disclosures, other than a credit report fee.

Property Address: 931 Red River Rd  
Gallatin, TN 37066  
City State Zip

Quinn J. Ransom 9/4/15  
Borrower Date

Co-Borrower \_\_\_\_\_ Date \_\_\_\_\_

**BORROWER INTENT TO PROCEED**

As of the date noted below, I/we intend to proceed with the loan as described in the disclosures provided to me. I/we agree to pay upfront fees that may be required to proceed with the loan.

Quinn J. Ransom 9/4/15  
Borrower Date

Co-Borrower \_\_\_\_\_ Date \_\_\_\_\_

Banker / Broker: Chuck Klumb 9/3/15  
Print Date  
[Signature]  
Signature



# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification. The income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state. The security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

*Deirdra L. Ranson*

Borrower		Co-Borrower	
I. TYPE OF MORTGAGE AND TERMS OF LOAN			
Mortgage Applied For:	<input type="checkbox"/> VA <input type="checkbox"/> FHA	<input type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural	<input type="checkbox"/> Other (explain):
Agency Case Number		Lender Case Number	
Housing Service			
Amount: <b>29,250.00</b>	Interest Rate: %	No. of Months: <b>12</b>	Amortization Type: <input type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM <input checked="" type="checkbox"/> Other (explain): <b>ARM (type)</b>

II. PROPERTY INFORMATION AND PURPOSE OF LOAN	
Subject Property Address (street, city, state & ZIP): <b>931 Red River Road, Gallatin, TN 37066</b>	No. of Units: <b>1</b>
Legal Description of Subject Property (attach description if necessary)	Year Built:
Purpose of Loan: <input checked="" type="checkbox"/> Purchase <input type="checkbox"/> Refinance	<input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent
Property will be: <input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment	

Complete this line if construction or construction-permanent loan.					
Year Loan Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	\$	\$	\$	\$	\$ 0.00

Complete this line if this is a refinance loan.					
Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	<input type="checkbox"/> Inside <input type="checkbox"/> To be made
	\$	\$		Cost: \$	

Title will be held in what Name(s)	Disposal in which Title will be held	Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (specify)
Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain)		

Borrower		III. BORROWER INFORMATION				Co-Borrower	
Borrower's Name (include Jr. or Sr. if applicable) <b>Deirdra L. Ranson</b>		Co-Borrower's Name (include Jr. or Sr. if applicable)					
Social Security Number <b>511-70-4043</b>	Home Phone (incl. area code) <b>703-819-4471</b>	DOB (mm/dd/yyyy) <b>1/12/1958</b>	Yrs. School <b>12</b>	Social Security Number	Home Phone (incl. area code)	DOB (mm/dd/yyyy)	Yrs. School
<input checked="" type="checkbox"/> Married <input type="checkbox"/> Separated	<input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no. <b>3</b> ages: <b>2, 3, 7</b>		<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no. <b>4</b> ages: <b>4, 5, 6, 7</b>	
Present Address (street, city, state, ZIP) <b>8519 Oxford Dr. Knoxville, TN 37927</b>		<input type="checkbox"/> Own <input type="checkbox"/> Rent	No. Yrs.	Present Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent	No. Yrs.
Mailing Address, if different from Present Address <b>Knoxville, TN 37927</b>		Mailing Address, if different from Present Address					

If residing at present address for less than two years, complete the following:			
Former Address (street, city, state, ZIP) <b>745 Wildwood Dr., Louisville, CO 80027</b>		<input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent	No. Yrs.
Former Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent	No. Yrs.

Borrower		IV. EMPLOYMENT INFORMATION				Co-Borrower	
Name & Address of Employer <b>The Ranson Notes (blue grass bank)</b>		<input type="checkbox"/> Self Employed	Yrs. on this job	Name & Address of Employer		<input type="checkbox"/> Self Employed	Yrs. on this job
Position/Title/Type of Business <b>Manager</b>		Yrs. employed in this line of work/profession <b>7</b>		Position/Title/Type of Business		Yrs. employed in this line of work/profession	
Business Phone (incl. area code) <b>303-819-4491</b>		Business Phone (incl. area code)		Business Phone (incl. area code)		Business Phone (incl. area code)	

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

(mailing P.O. Box - 1347 Knoxville, TN 37901)





**ALL DETAILS OF TRANSACTION**

**ALL DECLARATIONS**

<p><b>j. Subordinate financing</b></p>		<p>If you answer "Yes" to any questions through, please use continuation sheet for explanation.</p> <p><b>f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee?</b></p> <p><b>g. Are you obligated to pay alimony, child support, or separate maintenance?</b></p> <p><b>h. Is any part of the down payment borrowed?</b></p> <p><b>i. Are you a co-maker or endorser on a note?</b></p>	<p><b>Borrower</b></p> <p>Yes No</p>		<p><b>Co-Borrower</b></p> <p>Yes No</p>	
<p><b>k. Borrower's closing costs paid by Seller</b></p>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>l. Other Credits (explain)</b></p>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>m. Loan amount (exclude PMI, MIP, Funding Fee financed)</b></p>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>n. PMI, MIP, Funding Fee, financed</b></p>			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>o. Loan acquisition (add in &amp; n)</b></p> <p>0.00</p>			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>p. Cash given to Borrower (abstract j, k, l &amp; o from i)</b></p>		<p><b>j. Are you a U.S. citizen?</b></p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>k. Are you a permanent resident alien?</b></p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>l. Do you intend to occupy the property as your primary residence?</b></p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If "Yes" complete questions below.</p> <p><b>m. Have you had an ownership interest in a property in the last three years?</b></p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)?</p> <p>(2) How did you hold title to the home—by yourself (S), jointly with your spouse (SP), or jointly with another person (JP)?</p> <p>PR S</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No		

**IN ACKNOWLEDGEMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's agent or potential agents, brokers, producers, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of the information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in "real" penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all monies made in application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the lender, its servicers, successors or assigns may rely on the information contained in this application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the loan; (7) in the event that my payments on the loan become delinquent, the Lender, its servicer, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (8) borrowing of the loan under the terms and conditions of the loan agreement may be terminated with such notice as to be required by law; (9) neither Lender nor its agent, broker, insurer, servicer, successor or assigns has made any representation or warranty, either written or implied, as to the accuracy of the property or the condition or value of the property; and (10) my transmission of this application as an "electronic record" containing my "electronic signature" as those terms are defined in applicable federal and/or state laws (including audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

**Acting Lender:** Each of the undersigned hereby acknowledges that any owner of the loan, its servicer, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature: David J. Rowan Date: 9/29/15 Co-Borrower's Signature: X Date: \_\_\_\_\_

**INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a declining in order to monitor for the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law requires that a lender may not discriminate on the basis of the ethnicity, race, sex, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application. If you do not wish to furnish the information, please check the box below (Lender must review the above material to ensure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<p><b>BORROWER</b></p> <p><input type="checkbox"/> I do not wish to furnish this information</p>		<p><b>CO-BORROWER</b></p> <p><input type="checkbox"/> I do not wish to furnish this information</p>	
Ethnicity: <input checked="" type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino	Ethnicity: <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input checked="" type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White
Sex: <input checked="" type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

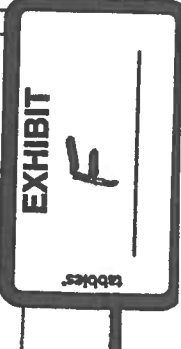
Is this information being provided:  By a face-to-face interview  In a telephone interview  By the applicant and submitted by the lender  Other (specify and submit) \_\_\_\_\_

Loan Originator's Signature: David Monfroe Date: 9-29-15

Loan Originator's Name (print or type): David Monfroe Loan Originator's Phone Number (including area code): 831-503-1234

Loan Originator Company's Name: LEGENDS BANK Loan Originator Company Identifier: 405426

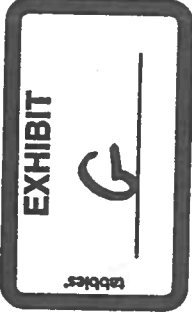
Loan Originator Company's Address: 310 N. First Street, Clarksville, TN 37040



**CONTINUATION SHEET RESIDENTIAL LOAN APPLICATION**

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.

Borrower:	Agency Case Number:
Co-Borrower:	Lender Case Number:



We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature <i>[Signature]</i>	Date 9/29/15	Co-Borrower's Signature X	Disc
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**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DEIRDRA L. RANSOM  
 931 REP RIVER ROAD  
 GALLATIN, TN 37066



9590 9403 0121 5077 2622 68

2. Article Number (Transfer from service label)

7015 0640 0000 3171 0766

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery





P.O. Box 1066 • Clarksville, TN 37041-1066



7015 0640 0900 3171 0827

CERTIFIED MAIL

NE DE TED

neopost®  
10/20/2016  
US POSTAGE

FIRST-CLASS MAIL  
\$06.46

ZIP 37040  
041L11247947

**REASON CHECKED**

Moved, Left No Address

Unable to Forward

Attempted - Not Known

No Such Street

Refused

No Such Number

Insufficient Address

1st NOTICE 10/22

2nd NOTICE 1-7

RETURNED 1-27

1st NOTICE 1-3

2nd NOTICE

RETURNED

**REASON CHECKED**

Moved, Left No Address

Unable to Forward

Attempted - Not Known

No Such Street

Refused

No Such Number

Deirdra L. Ransom

er Rd.

02-421516



Received  
11/4/17  
JB

FOR INFORMATION OF ADDRESSEE: Signature Restricted Mail is not available for international mail.

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DEIRDRA L. RANSON  
PO BOX 24216  
NASHVILLE, TN 37202



9590 9403 0121 5077 2620 60

2. Article Number (transfer from service label)

7015 0640 0000 3171 0827

PS Form 3811, April 2015 PSN 7630-02-000-8053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

Agent  
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No...

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Insured Mail (over \$500)
  - Mail Restricted Delivery
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt

5/4/17

George R. Archer, Jr.

Mr. Ransom,

I just wanted to send this short note to you and follow up on the voicemail that I left you today. Please call my office or my cell phone at your first opportunity.

Sincerely,

*George R. Archer, Jr.*



G.R. "RICK" ARCHER, JR.  
Nashville Area President

2213 Crestmoor Road  
Nashville, TN 37215  
(615) 372-1762 d  
(615) 969-4853 c  
(615) 388-6334 f

rarcher@  
LegendsBank.com  
HMLS 422585

