

STATE OF SOUTH CAROLINA
COUNTY OF HORRY

BAREFOOT RESORT RESIDENTIAL
OWNERS' ASSOCIATION, INC.,

Plaintiff,

vs.

PERMACAST LLC, ELIAS RUNAR
JOHANSSON, PE, 360 ENGINEERING
GROUP, PLLC, OUTPOST CONSTRUCTION
COMPANY LLC, PATTERSON'S
SALTWATER CONSTRUCTION LLC and
MERCHANTS NATIONAL BONDING, INC.,

Defendants.

TO: THE DEFENDANTS ABOVE NAMED:

) IN THE COURT OF COMMON PLEAS
) FIFTEENTH JUDICIAL CIRCUIT
)

) CASE NO. 2026-CP-26-_____
)

) **SUMMONS**
) **(Jury Trial Demanded)**
)

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer to the said Complaint on subscriber at his office at Post Office Box 1980, Myrtle Beach, South Carolina 29578, within thirty (30) days after the service hereof, exclusive of the day of such service, AND IF YOU FAIL TO APPEAR AND DEFEND THE ACTION AS REQUIRED BY LAW, JUDGMENT BY DEFAULT WILL BE RENDERED AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT.

MULLEN WYLIE SC, LLC

s/Robert L. Wylie, IV

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ATTORNEYS FOR PLAINTIFF

Myrtle Beach, SC
February 26, 2026

STATE OF SOUTH CAROLINA
COUNTY OF HORRY

) IN THE COURT OF COMMON PLEAS
) FIFTEENTH JUDICIAL CIRCUIT

BAREFOOT RESORT RESIDENTIAL
OWNERS' ASSOCIATION, INC.,

) CASE NO. 2026-CP-26-_____

Plaintiff,

COMPLAINT
(Jury Trial Demanded)

VS.

PERMACAST LLC, ELIAS RUNAR
JOHANNSSON, PE, 360 ENGINEERING
GROUP, PLLC, OUTPOST CONSTRUCTION
COMPANY LLC, PATTERSON'S SALTWATER
CONSTRUCTION LLC and MERCHANTS
NATIONAL BONDING, INC.,

Defendants.

The Plaintiff, complaining of the Defendants herein, would respectfully show unto this Honorable Court as follows:

PARTIES AND JURISDICTION

1. Plaintiff Barefoot Resort Residential Owners' Association, Inc. (hereinafter the "Association"), is a non-profit corporation organized and existing under the laws of the State of South Carolina with its principal place of business in Horry County, South Carolina. The Association was formed pursuant to the Declaration of Covenants and Restrictions for Barefoot Resort to administer and enforce the covenants and restrictions of Barefoot Resort including the construction, maintenance, repair and replacement of common elements such as the Water Tower Road Wall (hereinafter the "Project").

2. Defendant Elias Runar Johannsson, PE is, upon information and belief, a citizen and resident of the State of Oklahoma that was, at all times relevant hereto, providing services in Horry County, South Carolina.

3. Defendant 360 Engineering Group, PLLC is, upon information and belief, a professional limited liability company organized and existing pursuant to the laws of the State of Oklahoma, which was at all times relevant hereto, providing services in Horry County, South Carolina.

4. Defendants Elias Runar Johannsson, PE and 360 Engineering Group, PLLC shall be referred to collectively as “Engineer.” Defendant Engineer prepared the plans utilized to construct the Project.

5. Defendant Permacast LLC is (hereinafter “General Contractor”), upon information and belief, a limited liability company organized and existing pursuant to the laws of the State of Florida which was, at all times relevant hereto, conducting business in Horry County, South Carolina. Defendant Permacast LLC acted as the General Contractor for the Project and was responsible for the design and construction of the Project, as well as the manufacturing and providing of the wall and column components.

6. Defendant Patterson’s Saltwater Construction LLC is, upon information and belief, a limited liability company organized and existing pursuant to the laws of the State of South Carolina, which was at all times relevant hereto, conducting business in Horry County, South Carolina. Defendant Patterson’s Saltwater Construction LLC performed drilling of column foundations, sleeving of column foundations, placement of stone at foundations and placement of the columns.

7. Defendant Outpost Construction Company LLC is, upon information and belief, a limited liability company existing pursuant to the laws of the State of Florida which was, at all times relevant hereto, conducting business in Horry County, South Carolina. Defendant Outpost Construction Company LLC performed the installation of the Project.

8. Defendants Patterson's Saltwater Construction LLC and Outpost Construction Company LLC shall be referred to collectively as "Subcontractor Defendants."

9. Defendant Merchants National Bonding, Inc. (hereinafter "Surety") is, upon information and belief, a corporation organized and existing pursuant to the laws of the State of Iowa which issued Performance Bond No. NSC1630 dated May 6, 2021 in the amount of \$1,354,402.83.

10. The Project was designed and constructed by the Defendants. An investigation of the Project has resulted in the discovery of numerous design and construction defects. The defects included, but are not limited to:

- (a) Wall panel "tongues" are too narrow to receive the specified reinforcing steel and provide proper concrete cover on each face in violation of the applicable building code and industry standards;
- (b) Wall panel tapered "tongue" designs, combined with tapered column pockets, result in excessive movement of the wall panels;
- (c) Improper construction of column foundations;
- (d) Improper placement of columns and column foundations;
- (e) Improper column reinforcement;
- (f) Improper support of wall panels;
- (g) Severely displaced wall panels;

- (h) Numerous precast wall panels and/or their supporting pedestals have failed at bearing;
- (i) Numerous precast wall panels are insufficiently seated in precast “H” columns with excessive movement at wall panel to column connections;
- (j) Numerous precast wall panels to column connections are inadequately stabilized;
- (k) Numerous wall panel “tongues” are cracked and spalled at wall panel to column connections;
- (l) Numerous isolated precast members are cracked and spalled;
- (m) Inadequate bearing at each end of each wall panel for resistance to gravity loads;
- (n) Insufficient seating of wall panel “tongues” at numerous wall panel to column connections; and
- (o) Inadequate, non-code-compliant clip angle connections of deficient wall panel to column connections with inadequate seating.

11. As a direct and proximate result of the existence of the above-referenced defects and deficiencies, the Association is required to expend substantial sums of money to investigate, remove and replace the improper materials and defective workmanship.

FOR A FIRST CAUSE OF ACTION
(Negligence-Gross Negligence/Engineer)

12. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

13. Defendant Engineer owed a duty to the Plaintiff to exercise that degree of skill necessary in the design of the Project so that the Project would be delivered free of construction defects and would be designed and built in conformity with the customary and ordinary standards of the building and construction industry and the applicable building codes.

14. Upon information and belief, and as set forth in the Affidavit attached hereto as “Exhibit A”, Defendant Engineer was negligent, and/or grossly negligent in its design of the Project in one or more of the following particulars:

- (a) Failure to provide details related to wall panel bearing conditions;
- (b) Improperly designing wall panel “tongues” which are too narrow to receive the specified reinforcing steel and provide 3” concrete cover as required by applicable codes and industry standards;
- (c) Improper design of wall panel tapered “tongues” and tapered column pockets;
- (d) Failure to specify tolerances for wall panel to column connections; and
- (e) Providing inconsistent details in regard to height and spacing of columns.

15. As a direct and proximate result and consequence of the negligence and/or gross negligence of Defendant Engineer, Plaintiff has suffered injuries and damages in an amount equal to the costs to investigate the cause of the defects and failures set forth above, having to remove and replace the defective materials and workmanship and such punitive damages as may be appropriate.

FOR A SECOND CAUSE OF ACTION
(Breach of Express and Implied Warranty/Engineer)

16. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

17. Defendant Engineer expressly and impliedly warranted that its design of the Project would be of the highest quality and in conformance with the generally accepted standards of the engineering and construction industry, and further, that the specifications of materials and procedures would comply with the generally accepted principals in the industry.

18. Defendant Engineer further expressly and impliedly warranted that the plans and specifications prepared for the Project were suitable and fit for use in constructing the Project, and that the wall, when complete, would be free of design defects.

19. Defendant Engineer breached its implied warranties by providing plans and specifications that were not suitable or appropriate for their intended purpose.

20. As a result of the Engineer's breach of the express and implied warranties, Plaintiff has suffered injuries and damages in an amount equal to the costs to investigate the cause of the defects and failures set forth above, having to remove and replace the defective materials and workmanship and such punitive damages as may be appropriate.

FOR A THIRD CAUSE OF ACTION
(Negligence-Gross Negligence/General Contractor)

21. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

22. General Contractor owed a duty to Plaintiff to exercise that degree of skill necessary to design, construct, supervise and otherwise deliver a wall free of construction defects and designed and built in conformity with customary and ordinary standards of the building and construction industry.

23. The deficiencies and defects which exist at the Project are the proximate and direct result of the negligence and/or gross negligence of General Contractor, as contractor, in one or more of the following particulars:

- (a) In providing deficient design documents;
- (b) In failing to properly construct the Project by deviating from the plans and specifications and by failing to employ practices and methods of construction conforming with accepted industry standards; and/or using defective materials;

and/or installing materials not in accordance with the plans and specifications, or in violation of the manufacturer's instructions;

- (c) In using and supplying defective materials;
- (d) By installing materials not in accordance with the plans and specifications;
- (e) By installing materials in violation of manufacturer's instructions;
- (f) In failing to properly supervise the subcontractors and/or other trades in order to ensure that all work proceeded in accordance with the plans and specifications and also in conformity with the customary and ordinary standards of the construction industry;
- (g) In accepting non-conforming or defective materials;
- (h) In accepting and performing deficient and/or defective workmanship and/or materials, without proper inspection to ensure the work was correct and in conformity with industry standards and in accordance with the plans and specifications and the manufacturer's instructions;
- (i) In constructing the Project in violation of applicable building codes;
- (j) In failing to inform the Engineer and/or Owner of the defects in the plans and specifications;
- (k) In failing to act as a reasonable and prudent contractor would act under the circumstances then and there existing; and
- (l) In such other failures as may be shown during the discovery of this case and trial.

24. Defendant knew or should have known its actions and work were in breach of its duties owed to Plaintiff.

25. As a direct and proximate result and consequence of the negligence and/or gross negligence of General Contractor, Plaintiff has suffered injuries and damages in an amount equal to the costs to investigate the cause of the defects and deficiencies set forth above and to remove and replace the defective materials and workmanship.

FOR A FOURTH CAUSE OF ACTION
(Breach of Express and Implied Warranties/General Contractor)

26. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

27. Upon information and belief, General Contractor, as general contractor of the Project, made express warranties in connection with contracting to design and build the Project to the effect that the wall would be free of construction defects.

28. General Contractor also impliedly warranted that the Project would be designed and constructed in a careful, diligent and workmanlike manner, free of construction defects.

29. General Contractor breached its express and implied warranties in one or more of the following particulars:

- (a) In failing to provide adequate design documents;
- (b) In failing to properly construct the Project by deviating from the plans and specifications and/or failing to employ practices and methods of construction conforming to the customary and ordinary standards of the construction industry;
- (c) In using and supplying defective materials;
- (d) In installing materials not in accordance with the plans and specifications;
- (e) In installing materials in violation of manufacturer's instructions;
- (f) In performing work which violated applicable building codes;

- (g) In failing to properly supervise employees, agents and subcontractors to ensure that all work proceeded in accordance with the plans and specifications and in conformity with industry standards;
- (h) In accepting defective and/or non-conforming materials and labor;
- (i) In providing deficient and/or defective workmanship and/or materials, without proper inspections to ensure the work was correct and in conformity with customary industry standards and in accordance with the plans and specifications and the manufacturer's instructions; and
- (j) In failing to inform the Engineer and/or Owner of the defects in the plans and specifications.

30. As a direct and proximate result and consequence of General Contractor's breach of its express and implied warranties, Plaintiff has suffered injuries and damages in an amount equal to the costs to investigate the cause of the defects and failures set forth above and having to remove and replace the defective materials and workmanship.

FOR A FIFTH CAUSE OF ACTION
(Breach of Contract/General Contractor)

31. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

32. On April 9, 2021, Association and General Contractor entered into a contract whereby General Contractor would serve as the general contractor for the construction of the Project.

33. Pursuant to the terms of the contract, General Contractor was to design and construct the Project for the agreed upon sum of \$1,354,402.83.

34. The contract expressly provides that General Contractor warrants the construction will be performed in conformity with the contract documents and shall be free from defects.

35. The General Contractor breached its contract with the Association in the following particulars:

- (a) General Contractor provided defective plans and specifications for the Project;
- (b) General Contractor provided defective materials for the Project;
- (c) General Contractor performed work which was not in accordance with the plans and specifications;
- (d) General Contractor failed to perform activities and provide documentation to the Engineer as required by the specifications; and
- (e) The Project contains numerous design and construction defects and is not fit for its intended use.

36. As a direct and proximate result of the breach of contract by General Contractor, Plaintiff has suffered injuries and damages in an amount equal to the costs to remove and replace the defective materials and workmanship. Additionally, Plaintiff is entitled to recover reasonable costs and attorney's fees as a result of the breach of contract by General Contractor.

FOR A SIXTH CAUSE OF ACTION
(Negligence as to Subcontractor Defendants)

37. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

38. The Subcontractor Defendants owed a duty to Plaintiff to exercise that degree of skill necessary to construct, supervise and review its work, and the work of other trades and to otherwise deliver the wall free of construction defects and ensure that the wall was constructed in conformity with the customary and ordinary standards of the building and construction industry.

39. The deficiencies and defects which exist at the Project are the proximate and direct result of the negligence and/or gross negligence of the Subcontractor Defendants, in one or more of the following particulars:

- (a) In failing to properly construct the Project by deviating from the plans and specifications and by failing to employ practices and methods of construction conforming with accepted industry standards; and/or using defective material; and/or installing materials not in accordance with the plans and specifications, or in violation of the manufacturer's instructions;
- (b) In failing to properly supervise their work and the work of other trades in order to ensure that all work proceeded in accordance with the plans and specifications and in conformity with the customary and ordinary standards of the construction industry;
- (c) In accepting non-conforming or defective material;
- (d) In accepting and performing deficient and/or defective workmanship and/or materials without proper inspection to ensure that the work was correct and in conformity with industry standards and in accordance with the plans and specifications and the manufacturer's instructions;
- (e) In constructing the Project in violation of the applicable building codes; and
- (f) In failing to inform the architect, owner or general contractor of defects in the plans and specifications.

40. As a direct and proximate result and consequence of the negligence and/or gross negligence of the Subcontractor Defendants, the Plaintiff has suffered actual, incidental, consequential, and special damages including the expense of having to hire experts to investigate

the causes of the defects and failures set forth above and having to spend substantial sums of money in order to remove and replace the wall safe.

FOR A SEVENTH CAUSE OF ACTION

(Breach of Implied Warranty/Subcontractor Defendants)

41. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

42. Subcontractor Defendants impliedly warranted that the Project would be constructed in a careful, diligent and workmanlike manner, free of construction deficiencies.

43. Subcontractor Defendants breached its implied warranties in one or more of the following particulars:

- (a) In failing to properly construct the Project by deviating from the plans and specifications and/or failing to employ practices and methods of construction conforming to the customary and ordinary standards of the construction industry;
- (b) In using and supplying defective material;
- (c) By installing materials not in accordance with the plans and specifications;
- (d) By installing materials in violation of manufacturer's instructions;
- (e) In performing work which violated applicable building codes;
- (f) In failing to properly supervise employees, agents and subcontractors to ensure that all work proceeded in accordance with the plans and specifications and in conformity with industry standards;
- (g) In accepting defective and/or non-conforming materials and labor;
- (h) In providing deficient and/or defective workmanship and/or materials, without proper inspections to ensure that the work was correct and in conformity with

customary industry standards and in accordance with the plans and specifications and the manufacturer's instructions; and

- (i) In failing to advise the General Contractor or owner of defects in the plans and specifications.

44. As a direct and proximate result and consequence of the Subcontractor Defendants' breach of the implied warranties, the Plaintiff has suffered actual, incidental, consequential, and special damages including the expense of having to hire experts to investigate the causes of the defects and failures set forth above and having to spend substantial sums of money in order to remove and replace the wall at issue.

FOR AN EIGHTH CAUSE OF ACTION
(Claim On Performance Bond/Surety)

45. Plaintiff incorporates the allegations of the foregoing paragraphs as if fully restated herein.

46. On or about May 6, 2021, Surety, as surety, issued Performance Bond No. NSC1630 (the "Performance Bond") in favor of Plaintiff, as Oblige, to secure General Contractor's performance under the Contract. The terms and conditions of the Performance Bond, which among other things incorporated the Contract, are incorporated herein by reference as fully as if set forth herein verbatim.

47. General Contractor breached the Contract by failing to properly design, furnish and install the Water Tower Road Wall as required by the express terms of the Contract.

48. On or about October 31, 2025, Plaintiff notified General Contractor and Surety that General Contractor was in default as a result of the numerous defects and deficiencies existing with the work performed for the Project by General Contractor.

49. Surety failed to respond to the October 31, 2025 default notice.

50. On or about November 17, 2025 Plaintiff issued a Second Notice of Default stating that the General Contractor has failed to install the Water Tower Road Wall in compliance with the terms of the Contract and has failed and refused to correct these deficiencies.

51. Surety failed to respond to November 17, 2025 Default Notice.

52. On or about December 15, 2025, Plaintiff issued a Third Notice of Default to Surety, demanding that Surety perform its obligations under the Performance Bond.

53. Plaintiff has performed all conditions precedent required of it under the Performance Bond.

54. Due to General Contractor's failure to perform the contract and refusal to fulfill its contractual obligations including its duty to correct its defective work, Plaintiff declared General Contractor in default and notified General Contractor and Surety of such declaration of default.

55. As a direct and proximate result of General Contractor's default of its contractual obligations, Surety is now responsible under the terms of the Performance Bond to correct or otherwise indemnify Plaintiff for damages it has or will sustain as a result of General Contractor's failure to perform.

56. Plaintiff is entitled to recover from Surety in an amount to be proven at trial to indemnify Plaintiff for costs and expenses incurred in removing and replacing the Water Tower Road Wall, including, but not limited to, its attorney's fees and costs.

WHEREFORE, Plaintiff prays for a judgment against the Defendants for such actual and punitive damages as this Court deems appropriate and for such other and further relief as is just and proper, including but not limited to, pre-judgment interest, post-judgment interest, attorney's fees and costs.

MULLEN WYLIE SC, LLC

s/Robert L. Wylie, IV

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