

**UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA  
WINSTON-SALEM DIVISION**

**CHRIST KINGDOM BUILDING  
WORSHIP CENTER, and  
ELLEN WALLACE-SEARCY,**

**PLAINTIFFS,**

**v.**

**LBC2 REO LLC, LBC2 TRUST,  
ASSET MANAGEMENT  
ALLIANCE LLC d/b/a ONE  
ALLIANCE COMPANIES,  
BRAD HREBENAR, LAUREN  
MCELROY, DOE 1, CITY OF  
WINSTON SALEM, C.N. KISER  
(individually and in his official  
capacity as an employee of the  
City of Winston-Salem),**

**DEFENDANTS.**

**Case No. 1:23-cv-00471**

**COMPLAINT  
(Jury Trial Demanded)**

Plaintiffs Christ Kingdom Building Worship Center and Ellen Wallace-Searcy for their Complaint against Defendants allege as follows:

## SUMMARY

1. Defendant LBC2 Trust, a lender, working with its affiliate LBC2 REO LLC and its property management company, Management Alliance LLC d/b/a One Alliance Companies, improperly seized a church belonging to a historic Black congregation, illegally took ownership of tens of thousands of dollars' worth of the church's personal property, and improperly ejected the minister, her staff, and dozens of children from the property.

2. All of this was done with the significant, willing assistance of the Winston-Salem Police Department, which improperly intervened in, participated in, enabled, and encouraged the illegal activity of LBC2 Trust, LBC2 REO, and One Alliance.

3. LBC2 Trust's, LBC2 REO's, and One Alliance's choice to involve the police in their illegal eviction was not random, unpredictable, or accidental. Rather, the Winston-Salem police were called because One Alliance feared trouble from the Black staff and parishioners – and the intimidation caused by the police presence was a deliberate effort to deprive them of their constitutional rights. Similarly, the Winston-Salem Police Department's choice to join together with and empower LBC2 Trust, LBC2 REO, and One Alliance in their intentional effort to deprive the church and its members of their constitutional rights was not random, unpredictable, or

accidental either. Rather, the Winston-Salem Police Department facilitated such deprivation because of the inadequate training and supervision of its employees whose words and actions evidenced a fundamental misunderstanding of their role in self-help evictions made worse by their demonstrated bias against the Black congregation.

4. But that was just the beginning of LBC2 Trust's, LBC2 REO's, and One Alliance's wrongdoing. The illegal eviction appears to have been done on an accelerated timeline so that the church would not be able to remove the valuable sound system and other property that remained in the building. After the illegal, forcible self-help eviction, LBC2 Trust, LBC2 REO, and One Alliance, working through their law firm Ellis & Winters, LLP, sent emails that can be described as ransom notes, offering to allow the church to keep its less valuable property in exchange for signing away its rights to valuable property, which LBC2 Trust and LBC2 REO improperly claimed were fixtures. Their motive seems to have been a desire to sell the building as a "turnkey" church – increasing the sale price they would receive.

5. Plaintiffs now seek compensatory and punitive damages and other relief arising under 42 U.S.C. §§ 1983 and 1985(3) and under North Carolina law to redress Defendants' unconstitutional and unlawful conduct.

## JURISDICTION AND VENUE

6. This case presents an actual case and controversy arising under the Fourteenth and Fourth Amendments to the United States Constitution. This case also arises under 42 U.S.C. §§ 1983, 1985, and 1988.

7. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331, 42 U.S.C. §§ 1983, 1985, and 1988, and the United States Constitution since the case arises under the Constitution of the United States. This Court also has original jurisdiction over this case pursuant to 28 U.S.C. § 1343(a) since the action is to redress deprivation by Defendants, under color of state law, of rights, privileges, and immunities granted to Plaintiffs by the United States Constitution.

8. The Court also has supplemental jurisdiction over the state-law claims under 28 U.S.C. § 1367.

9. Venue is proper in this District under 28 U.S.C. § 1391(b)(2). A substantial part of the events or omissions giving rise to these claims occurred in the district, and a substantial part of the property that is the subject of the action is situated in the district.

## PARTIES

10. Plaintiff Christ Kingdom Building Worship Center is a North Carolina non-profit corporation. Its principal place of business is in Forsyth County, North Carolina.

11. Plaintiff Ellen Wallace-Searcy is a citizen and resident of Forsyth County, North Carolina, and is the pastor of Christ Kingdom.

12. Upon information and belief, LBC2 Trust is a Delaware statutory trust with a principal office in Minnesota. U.S. Bank Trust National Association is its registered agent registered with the Delaware Secretary of State.

13. Upon information and belief, LBC2 REO LLC is a Delaware limited liability company with a principal office in Minnesota. LBC2 REO is not registered to do business in the State of North Carolina.

14. In this Complaint, LBC2 Trust and LBC2 REO LLC are collectively referred to as “LBC2.”

15. Upon information and belief, Asset Management Alliance LLC d/b/a One Alliance Companies is a North Carolina limited liability company.

16. Upon information and belief, Brad Hrebenar is a citizen and resident of Arizona, and an employee and/or agent of LBC2.

17. Upon information and belief, Lauren McElroy is a citizen and resident of Iredell County, North Carolina, and an employee and/or agent of One Alliance.

18. Doe 1 is the individual or individuals at LBC2 Trust who directed Hrebenar to illegally evict Pastor Wallace-Searcy and church members from the church building and to wrongfully seize their personal property.

19. The City of Winston-Salem is and was at all times relevant to this action a North Carolina municipal entity. It is authorized by law to maintain a police department to act as the City's agent in law enforcement. The City of Winston-Salem is ultimately responsible for its agents' actions. Winston-Salem assumes the risks incidental to the maintenance of a police force and the employment of police officers. At all relevant times, the City of Winston-Salem was the public employer of the Winston-Salem police officers in this matter.

20. Upon information and belief, Winston-Salem has purchased one or more policies of insurance that provide coverage for liability incurred by Winston-Salem as the result of actions or omissions committed by its police officers in the line of duty.

21. Upon information and belief, Officer C.N. Kiser is an employee of the Winston-Salem Police Department and is a citizen and resident of Forsyth County, North Carolina.

22. Winston-Salem is sued under 42 U.S.C. § 1983 because of its deprivation of rights, privileges, or immunities secured by the Constitution and laws of the United States, because of its failure to adequately train and supervise its police officers, and because of its ratification of Officer Kiser's unconstitutional actions and the basis for them.

23. With respect to Plaintiffs' state-law claims, Winston-Salem is sued under the doctrine of *respondeat superior*, since the individual officers were acting in the course and scope of their official duties as police officers employed by Winston-Salem and as agents of Winston-Salem when they engaged in the actions alleged in this Complaint.

### **FACTS**

#### ***LBC2 REO obtains deed to church's property in foreclosure.***

24. Christ Kingdom is a church that has traditionally had a predominantly African-American congregation and is located in Winston-Salem, North Carolina.

25. Ellen Wallace-Searcy is the pastor of Christ Kingdom.

26. In 2022, Christ Kingdom was the owner of a church building located at 3894 Northampton Drive, Winston-Salem, NC 27105.

27. Christ Kingdom entered into two notes with Branch Banking and Trust Company, and through a series of assignments, those notes ended up being held by LBC2 Trust. The notes were secured by a deed of trust, also

assigned to LBC2 Trust. The principal amount of the notes was a total of \$1,459,000.

28. Christ Kingdom made every monthly payment due under these notes, and successfully negotiated one modification with a prior holder. The unpaid principal balance, which exceeded one million dollars, became due on or about May 6, 2021.

29. Pastor Wallace-Searcy attempted to work with LBC2 Trust through Defendant Brad Hrebenar to renegotiate the notes after these balloon payments became due, but without success.

30. LBC2 Trust retained attorney Charles N. Anderson, Jr. and the law firm of Ellis & Winters, LLP to both represent the lender and serve as substitute trustee, and Anderson initiated the foreclosure process.

31. An order allowing foreclosure was entered on May 3, 2022, and LBC2 Trust was the high bidder at the foreclosure sale. LBC2 Trust assigned its bid to LBC2 REO.

32. Anderson executed a Trustee's Deed transferring the property to LBC2 REO on or about June 28, 2022. A copy of the Trustee's Deed is attached as **Exhibit 1**.



***One Alliance illegally evicts church***

33. LBC2 REO retained Defendant One Alliance as its property manager and directed One Alliance to obtain possession of the church building and the personal property it contained.

34. The proper way to lawfully obtain possession of property after foreclosure is set out in N.C. Gen. Stat. § 45-21.29:

- a. First, the sale itself must be proper, the sale price paid, and the deed recorded. In this case, the deed was recorded on June 28, 2022.
- b. Next, “the party or parties who remain in possession at the time application is made” – in this case, Christ Kingdom -- must be given ten days’ notice.
- c. Only then could LBC2 REO apply to the Clerk for a order of possession.

35. Nothing close to the required legal process happened here.

36. The week of June 28, 2022, the church was conducting a food bank and a summer program for children on the church property. The church also had two funeral viewing and a funeral scheduled for that week.

37. The day after the deed was recorded, June 29, 2022, an individual who identified himself as “Mack” and claimed to be an agent of One Alliance came to the church.

38. Mack told Pastor Wallace-Searcy and other church members on the property that he was going to change the locks to the church the next day and so the church had to immediately move out.

39. This was the first time Pastor Wallace-Searcy became aware of the Trustee’s Deed.

40. She had not been served a 10-day notice to vacate, as the statute required.

41. Confused, she attempted to contact the church’s attorney, who was on vacation that week.

42. Not knowing who to contact, she called Anderson at Ellis & Winters, since his number was the only one she could locate.

43. She told Anderson about Mack’s visit and said that she did not know who the new owner of the property was. Anderson told her that she needed to get in touch with Brad Hrebenar at LBC2 REO.

44. Anderson did not ask her whether she had received a 10-day notice or inquire how it was possible for Mack to demand that she vacate the building two days after a deed was recorded.

45. Pastor Wallace-Searcy called Hrebenar and asked for additional time to get out.

46. Hrebenar told her that he would get back to her.

47. The next morning, Lauren McElroy of One Alliance went to the church's property and called the Winston-Salem Police Department.

48. Upon information and belief, she asked the police department to assist her in removing the pastor and others from church property.

49. Upon information and belief, the Winston-Salem Police Department dispatched police to assist One Alliance without determining whether McElroy had the right to remove anyone from the property. A copy of the Police Report is attached as **Exhibit 2**.

50. Officer C.N. Kiser responded. His badge number is 14944. His interactions with McElroy were captured by his bodycam.

51. McElroy identified herself to Officer Kiser as a representative of LBC2 REO there to take possession of the space.

52. At this point, Ms. McElroy knew (or, as someone who claimed to be an REO professional, certainly should have known) that her actions were illegal and that neither One Alliance nor LBC2 REO had any right to take possession of the space absent an order of possession.

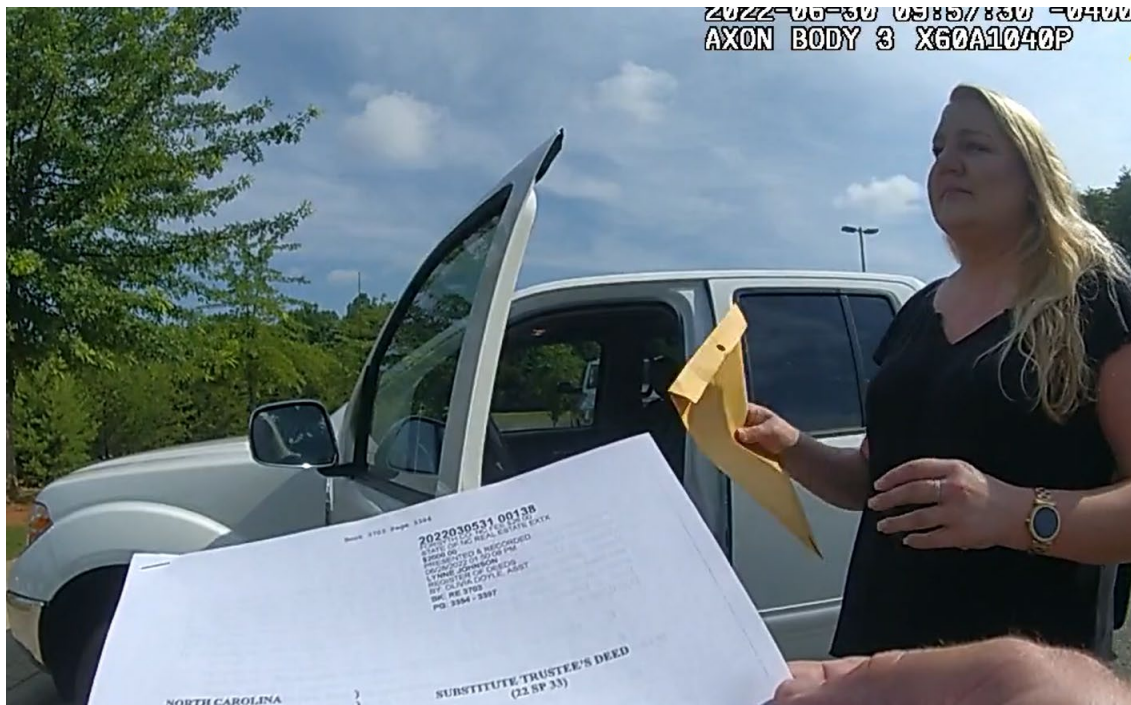
53. "I don't know how willing they are going to be leaving," she told Officer Kiser, conceding that this was not a voluntary turnover. She told the

officer, “the lender has been calling for weeks” and claimed that One Alliance had reached out to Pastor Wallace-Searcy several times – all of which she knew was false.

54. She told him that Pastor Wallace-Searcy had no intention of leaving, and that she wanted the police there “for safety reasons.”

55. Upon information and belief, McElroy had no reasonable basis to suggest that the church members would endanger her safety. Instead, McElroy’s principal reason for calling the police “for safety reasons” was the fact that Pastor Wallace-Searcy and the church members were predominantly Black.

56. Upon information and belief, when dealing with predominantly White businesses, McElroy complies with the law regarding evictions and does not routinely seek the assistance of police.



57. When the officer asked McElroy for documents supporting her contention that this was a proper eviction, McElroy presented him with a copy of the Trustee's Deed from two days before and a copy of One Alliance's contract with LBC2. None of the documents she presented to him authorized any peace officer to proceed with an eviction.

58. Officer Kiser, as an experienced law enforcement officer, knew or should have known that by statute county sheriffs and not local police departments conduct evictions in North Carolina. *See* N.C. Gen. Stat. § 45-21.29(l).

59. He also knew or should have known that an order of possession was required for an eviction, and knew or should have known One Alliance had no right to be in the parking lot, let alone the building.

60. An officer accompanying Office Kiser asked him about the church, “Is there a time they are supposed to be out?” Officer Kiser responded, “I have no clue. They notified them and got in touch yesterday. I don’t know if that’s enough.”

61. Nonetheless, after admitting that he had no clue as to whether or not One Alliance had a legal right to take possession of the property, Officer Kiser walked through the church’s front door without asking permission of anyone on the property.



62. The officer confronted Pastor Wallace-Searcy, who told him about her call with Hrebenar the day before and that she was waiting for Hrebenar to contact her about delaying the eviction.

63. Pastor Wallace-Searcy told Officer Kiser that the first time she became aware of One Alliance's intent to take over the property was the day before. She also told him that the church's attorney was handling the matter.

64. Officer Kiser returned to McElroy, who told Officer Kiser that she wanted to trespass all the people in the church – which she had no legal right to do, since LBC2 REO did not have legal possession of the building.

65. Officer Kiser told McElroy that there was an attorney handling this for the church and that Pastor Wallace-Searcy had been in touch with the lender.

66. Officer Kiser then gave McElroy his advice on how to handle the situation -- give Pastor Wallace-Searcy an hour and a half to vacate and then lock the building. "In order to get in she's going to have to go through one of you guys."

67. As a representative of the Winston-Salem Police Department, Officer Kiser was not permitted to advise One Alliance at all, let alone instruct it to change the locks. That suggestion was a clear violation of North Carolina's long-standing public policy against forcible self-help evictions.

68. McElroy then falsely represented to Officer Kiser that the church had not made a regular mortgage payment for two years (the church had in fact made every regular mortgage payment until the balloon payment became

due), and Officer Kiser told McElroy that he thought she was being “pretty lenient.”

69. McElroy again told Officer Kiser that the pastor had no intention of voluntarily vacating.

70. Officer Kiser told McElroy that he believed that Pastor Wallace-Searcy had never called Hrebenar, and that she was not telling the truth about waiting for him to call her back. Officer Kiser had no reasonable basis for his assumption regarding Pastor Wallace-Searcy’s truthfulness. Upon information and belief, Officer Kiser would not have acted upon such an unfounded assumption if Pastor Wallace-Searcy had been White.

71. Officer Kiser was wrong on both counts, but his false impression that Pastor Wallace-Searcy had somehow been untruthful colored his actions.



72. Officer Kiser and McElroy then met with Pastor Wallace-Searcy together. The Pastor reiterated that she learned about the foreclosure sale



from Mack, that she had called Hrebenar while Mack was there, and that she was waiting for a return call.

73. Pastor Wallace-Searcy told them that she would reach out to Hrebenar again, and McElroy responded, “we just have to take possession.” Talking about McElroy, Officer Kiser interjected, “She’s being gracious.”

74. Pastor Wallace-Searcy called Hrebenar in the presence of Officer Kiser and McElroy and said that she had been waiting for his call. She told him that she had not begun to move anything out because she had just learned about the Trustee’s Deed the day before from One Alliance. The pastor told Hrebenar that she needed another week or two to get everything out.

75. At this point, both Hrebenar and McElroy knew very well (or certainly should have known) that the church was entitled to 10 days’ notice as a matter of law before LBC2 could even apply for an order of possession.

76. Hrebenar said that he had talked with representatives of LBC2 Trust, who decided that the church could not stay in the building through the weekend.

77. The representatives of LBC2 Trust whom Hrebenar was communicating with knew, or should have known, of North Carolina’s 10-day notice requirement, and they should have known that they had no right to demand that the church members vacate before the weekend.

78. “You need to vacate the building today,” Hrebenar told her. “This is not a negotiation, I will not listen to anything you’re pleading, it’s done, that’s what it is.”

79. Hrebenar emphasized that it was not his choice, but the decision was coming from the representatives of LBC2 Trust.

80. “Right now, Brad,” the pastor said, “we do have this school program. Today is the last day for the week... .” “I understand,” he interrupted. “You explained all that yesterday, and it’s done. So, they’re going to change the locks and I need you to vacate the building.”

81. McElroy said that she would take whatever directive that Hrebenar was giving.

82. After they left the office, Officer Kiser told Hrebenar (who was on McElroy’s phone) and McElroy that he would tell Pastor Wallace-Searcy that if she did not leave by 2:00pm (in about an hour and a half) she could potentially be arrested for trespassing. Hrebenar replied, “I appreciate that, sir.”

83. Officer Kiser returned to Pastor Wallace-Searcy’s office and gave her the command: “At two o’clock you have to vacate the property.”

84. At approximately 1:18 pm, McElroy called the Winston-Salem Police Department again and asked to speak with Officer Kiser. She told him

that it did not appear that Pastor Wallace-Searcy was making arrangements to leave.

85. Around two o'clock, Officer Kiser returned, now accompanied by Sgt. C.S. Sloan and other officers. Sgt. Sloan's badge number is 14625.

86. Officer Kiser asked Pastor Wallace-Searcy's son, "Is she getting her stuff and leaving? Because that's why we're here."

87. "We were caught off guard," he responded. "That's why she's so emotional."

88. Sgt. Sloan said that if the police had not been there, the pastor would have had to leave at 8:00 am. He had no basis to make that statement.

89. Pastor Wallace-Searcy was able to send the children, who were on a field trip, to the parking lot of a church across the street for pickup.



90. With no choice and facing arrest, Pastor Wallace-Searcy and the church members who were there focused on gathering the children's personal property. They tried to put as much of it as they could into their cars. In the process, the church members left behind thousands of dollars' worth of furniture and equipment.

91. Board member Garland Wallace asked Officer Kiser about the children's items and other property they had taken out of the church but did not have time to load. Officer Kiser told him that rather than being allowed to take it, One Alliance would take possession of it and bring it back inside the building.

92. "Being as professional as I know to be," said Officer Kiser, "if I were in your shoes, I would round these people up, just round everybody up and leave. The longer that this goes on, the more opportunity there is for someone to start arguing."

93. Turning to another police officer, Officer Kiser said that Pastor Wallace-Searcy "tried to pull" something by saying she could be out of the building by 2:00 pm but needed more time to retrieve the property that was outside. Once again, Officer Kiser's unfounded assumption about Pastor Wallace-Searcy's integrity motivated his illegal treatment of her and her congregation. Upon information and belief, Officer Kiser would not have

unjustifiably doubted Pastor Wallace-Searcy's integrity if she had been White.

94. Mack then asked Pastor Wallace-Searcy to give him her keys. She handed him a key ring that included personal keys such as her house and car keys. She expected him to come back with them, but he did not return.

95. Pastor Wallace-Searcy tried to walk back into the building, and McElroy stopped her.

96. Shortly after 2:00 p.m., Tierra Taylor, the church's treasurer, raced back into the building to attempt to gather collection envelopes that had been left in the church.



97. As she was attempting to gather collection envelopes from a church drop box McElroy said, "we need you to exit."

98. Taylor told McElroy she was trying to gather the collection envelopes and McElroy said, “I understand. It’s 2:07. Out.”

99. The church members loaded up their cars and left.

100. Police cars sat on both sides of the exiting cars to ensure that they left the property.

101. At no time, from the time they arrived in the morning to the time that they supervised the church members’ exit, did the police ever show anyone associated with the church a warrant, court order, or other document that stated the police had any right to be on church property.

102. At no time did One Alliance ever produce a court order or other document that showed One Alliance had a right to remove the church members from the property.

103. Upon information and belief, Defendants would not have conspired to violate North Carolina law, long-standing North Carolina public policy, and the United States Constitution in so blatant a manner if Christ Kingdom were a predominately White congregation.

***One Alliance refuses to return church property***

104. Even though both One Alliance and the Winston-Salem Police Department assured church members that they would be able to return to retrieve church property, that proved not to be the case.

105. Counsel for the church contacted Anderson at Ellis & Winters (who now was filling the role of attorney for LBC2 REO) and reminded him that the personal property on the premises still belonged to the church.

106. Rather than arrange a time for church members to pick up their property, Anderson responded with an email that he styled a “settlement proposal” in which he asserted that LBC2 REO was entitled to keep nearly everything of value because they were “fixtures” that now belonged to LBC2 REO as the equitable owner of the building. A copy of the email chain is attached as **Exhibit 3**.

107. The list of supposed “fixtures” included:

- a. an intercom system;
- b. kitchen and cooking equipment (including a commercial gas grill);
- c. a computer and monitor;
- d. a camera, stand, and platform;
- e. various CD’s and a recorder;
- f. various DVDs and a recorder;
- g. three boxes of twelve microphones;
- h. two lapel microphones;
- i. a basket of sound cords;
- j. a 26” widescreen TV monitor;

- k. sound D-boxes and wiring;
- l. black stage monitors;
- m. white stage monitors;
- n. subwoofers;
- o. computer and camera monitor;
- p. two overhead projectors;
- q. a portable sound board;
- r. two speakers with accompanying stands;
- s. a sound rack with equalizers and sound equipment;
- t. a basket with wiring for portable sound equipment.

108. Counsel for the church responded with a letter that laid out LBC2's and One Alliance's multiple violations of the law and demanded the immediate and unconditional release of the church's property. A copy of the letter is attached as **Exhibit 4**.

109. Faced with the threat of litigation, One Alliance eventually backed down and allowed the church to take possession of its property.

***One Alliance misappropriates the church's collection money***

110. At the time One Alliance illegally ejected church members from the property, there was a safe on the premises containing money gathered in weekly collection envelopes by the church.



111. Before the church was given access to its personal property, One Alliance removed the safe and the collection money from the premises.

112. Under N.C. Gen. Stat. § 14-89.1, a person is “guilty of safecracking if he unlawfully removes from its premises a safe or vault for the purpose of stealing, tampering with, or ascertaining its contents.”

113. Safecracking is punishable as a Class I felony.

114. One Alliance admitted that it took cash out of the safe. While it claimed that it had an accounting of the cash that it took and would send the church a check for it, One Alliance has never done so.

115. The church demanded the return of the safe itself. To date, One Alliance has been unable or unwilling to return it.

116. Nor has One Alliance returned Pastor Wallace-Searcy’s personal keys, despite being asked for them for almost a year.

117. More than two months after the wrongful eviction, on September 12, 2022, apparently unaware that One Alliance had already illegally taken possession of the property, Richard Buckland, a trust agent with LBC2 REO, conceded that the church had the right to be on the property.

118. He sent counsel for the church a statutory ten-day notice. The notice assumed that the church members were still on the property and asked that they voluntarily vacate it. A copy of the notice is attached as **Exhibit 5**.

119. Buckland did not mention One Alliance's illegal eviction, nor did he recognize that the locks on the property had been changed and that One Alliance still controlled the church's personal property.

**FIRST CAUSE OF ACTION**

**Conversion**

**(Plaintiffs against LBC2 Trust, LBC2 REO, Hrebenar, Doe 1, McElroy,  
and One Alliance)**

120. Plaintiffs incorporate all preceding paragraphs by reference.

121. Under North Carolina General Statutes §§ 45-21.29 and 42-36.2, LBC2 and One Alliance were required to obtain an order of possession before depriving the church of its personal property or taking any action regarding the personal property within the church building.

122. LBC2 and One Alliance did not provide proper notice to Plaintiffs regarding their intention to possess the church's personal property.

123. LBC2 and One Alliance never obtained an order of possession before obtaining the church's personal property.

124. LBC2 and One Alliance failed to follow any of the required procedures to take possession of the church building and personal property as required by Chapters 42, 44, and 45 of the North Carolina General Statutes.

125. At all times relevant to this lawsuit, Christ Kingdom was the lawful owner of its personal property and was and is entitled to its immediate possession.

126. LBC2's and One Alliance's acquisition of the personal property was wrongful.

127. Plaintiffs also demanded the return of the personal property, but LBC2 and One Alliance refused that request.

128. LBC2, One Alliance, Hrebenar, McElroy, Doe 1, their agents, contractors, vendors, and employees had actual or constructive knowledge that they had no right or authority to enter the church building, force the church members to leave, and then seize the personal property left within the building.

129. Nonetheless, LBC2, One Alliance, Hrebenar, McElroy, Doe 1, their agents, contractors, vendors, and employees exercised ownership over the church building and the personal property, even going so far as to dispose of, and presumably destroy, some of the personal property.

130. LBC2 and One Alliance fraudulently positioned themselves as having legitimate legal authority to withhold the church's personal property.

131. LBC2 and One Alliance evidenced a conscious and intentional disregard of and indifference to Christ Kingdom's rights.

132. LBC2 and One Alliance are directly or vicariously liable for these actions.

133. Plaintiffs were damaged as a direct and proximate result of Defendants' actions in an amount to be proved at trial.

**SECOND CAUSE OF ACTION**

**Violation of the Unfair and Deceptive Trade Practices Act  
N.C. Gen. Stat. § 75-1.1.**

**(Plaintiffs against LBC2, One Alliance, Hrebenar, Doe 1, and  
McElroy)**

134. Plaintiffs incorporate all preceding paragraphs by reference.

135. The actions of Defendants LBC2, One Alliance, Hrebenar, Doe 1, McElroy, their agents, contractors, vendors, and employees described in this Complaint constitute unfair and deceptive acts and practices, including but not limited to:

- a. failing to obtain an order of possession and then entering the church building, while accompanied with police officers, with no legal authority and then taking Christ Kingdom's personal property;
- b. failing to implement proper procedures to verify that an order of possession had been obtained;
- c. failing to implement proper procedures to verify that agents, contractors, and employees were complying with North Carolina law when taking possession of the church building and personal property;
- d. willfully misappropriating Plaintiffs' personal property;
- e. willfully failing to return Plaintiffs' personal property;

f. safecracking in violation of North Carolina General Statutes § 14-89.1, which is punishable as a Class I felony.

136. The actions of Defendants LBC2, One Alliance, Hrebenar, Doe 1, McElroy, their agents, contractors, vendors, and employees were in or affecting commerce.

137. As a direct and proximate result of the actions of Defendants LBC2, One Alliance, Hrebenar, Doe 1, McElroy, their agents, contractors, vendors, and employees, Plaintiffs have suffered damages in an amount to be determined at trial.

138. Pursuant to North Carolina General Statute § 75-16, Plaintiffs are entitled to treble damages and attorneys' fees.

**THIRD CAUSE OF ACTION**  
**Interference with Property Rights**  
**N.C. Gen. Stat. § 99A-1**  
**(Plaintiffs against LBC2 Trust, LBC2 REO, Hrebenar, Doe 1, McElroy, and One Alliance)**

139. Plaintiffs incorporate all preceding paragraphs by reference.

140. As is set forth above, LBC2, Hrebenar, Doe 1, McElroy, and One Alliance wrongfully converted Plaintiffs' property.

141. Anderson's email (see Exh. 3) demonstrates that LBC2 and One Alliance intended to permanently deprive Plaintiffs of the possession and enjoyment of that property.

142. As a result, Plaintiffs are entitled to compensatory and punitive damages in an amount to be determined at trial.

**FOURTH CAUSE OF ACTION**  
**Exceeding Authority to Enter the Property**  
**N.C. Gen. Stat. § 99A-2**  
**(Christ Kingdom against LBC2 and One Alliance)**

143. Plaintiffs incorporate all preceding paragraphs by reference.

144. Defendants One Alliance and LBC2 exceeded their authority by intentionally entering the church's premises without an order of possession while Christ Kingdom was still in possession of the Property.

145. That entry into the premises included One Alliance, LBC2, and the accompanying officers entering Pastor Wallace-Searcy's office.

146. That act substantially interfered with Christ Kingdom's possession of its property.

147. Christ Kingdom was entitled, at the very least, to ten days' notice—during which it would have been permitted to possess the Property and prepare for leaving the premises.

148. LBC2 conceded this, sending a 10-day notice months after entering the Property.

149. As a direct and proximate result of these actions, Christ Kingdom has suffered compensatory damages in an amount to be determined at trial.

150. Christ Kingdom is also entitled to its reasonable attorneys' fees.

151. In addition, Christ Kingdom is entitled to exemplary damages in the amount of \$5,000 for each day, or portion thereof, that LBC2 and One Alliance were determined to have wrongfully exceeded their authority in their entry of the church building. This is the time from the changing of the locks by One Alliance on June 30, 2022 until the property was deeded by LBC2 on October 6, 2022, or 99 days, for a total of \$495,000.00 in exemplary damages.

### **FIFTH CAUSE OF ACTION**

#### **Abuse of Process**

**(Plaintiffs against One Alliance, LBC2, Brad Hrebenar, Doe 1, Lauren McElroy)**

152. Plaintiffs incorporate all preceding paragraphs by reference.

153. LBC2 invoked process against Christ Kingdom by foreclosing against the church building and obtaining a Trustee's Deed.

154. LBC2 and One Alliance wanted immediate possession of the church and its property.

155. Upon information and belief, the illegal eviction was done on an accelerated timeline so that the church would not be able to remove the valuable sound system and other property that remained in the building.

156. LBC2 and One Alliance intentionally used the foreclosure sale as a pretext to convince the Winston-Salem Police Department to improperly force Pastor Wallace-Searcy and the church members to leave the property.

157. They also used the foreclosure sale as a pretext to illegally seize the church's property.

158. As a direct and proximate result of LBC2 and One Alliance's abuse of process, Plaintiffs have suffered damage in an amount to be determined at trial.

#### **SIXTH CAUSE OF ACTION**

#### **Negligent Infliction of Emotional Distress (Pastor Wallace-Searcy against all Defendants)**

159. Plaintiffs incorporate all preceding paragraphs by reference.

160. Defendants were negligent when they wrongfully evicted Pastor Wallace-Searcy, the church members, and the children attending the church's summer program.

161. Pastor Wallace-Searcy suffered severe emotional distress as a result of the Defendants' actions because of concern for herself, the church members, and the children.

162. Defendants' actions were a proximate cause of Pastor Wallace-Searcy's severe emotional distress.



163. Pastor Wallace-Searcy has been harmed by Defendants' negligent infliction of emotional distress in an amount to be determined at trial.

**SEVENTH CAUSE OF ACTION**

**42 U.S.C. § 1983 – Deprivation of property without due process of law  
in violation of the Fourteenth Amendment of the United States  
Constitution  
(Against all Defendants)**

164. Plaintiffs incorporate all preceding paragraphs by reference.

165. Under the color of state law, Defendants unlawfully deprived Christ Kingdom and Pastor Wallace-Searcy of their property without due process of law in violation of the Fourteenth Amendment of the United States Constitution.

166. Neither One Alliance nor LBC2 had an order of possession or any other valid legal document entitling them to remove the church members and convert the church property.

167. The Winston-Salem Police Department worked together with LBC2 and One Alliance to unlawfully take the property through the specific actions of Hrebener, Doe 1, and McElroy, encouraging and enabling them through the entire process. Because of the joint participation of the Winston-Salem Police Department in the illegal conduct of LBC2, One Alliance, Hrebener, Doe 1, and McElroy, such conduct occurred under the color of state law.

168. Pastor Wallace-Searcy and the other church members, intimidated by the presence of the officers and fearing their imminent arrest, acquiesced to the Defendants' illegal demands that they gather any belongings and leave the property.

169. Winston-Salem failed to adopt clear policies and failed to properly train and supervise its officers about the proper processes for foreclosure and eviction. This failure to train and supervise was a proximate cause of the harm suffered by Plaintiffs.

170. Winston-Salem also ratified the unconstitutional actions of Officer Kiser by the later willing participation of Officer Kiser's superior officer, Sgt. C.S. Sloan, in the illegal eviction.

171. Plaintiffs are entitled to their reasonable attorneys' fees and damages for Defendants' violation of Section 1983.

#### **EIGHTH CAUSE OF ACTION**

**42 U.S.C. § 1983 – Deprivation of the equal protection of the laws, or of equal privileges and immunities under the laws, in violation of the Fourteenth Amendment of the United States Constitution  
(Against all Defendants)**

172. Plaintiffs incorporate all preceding paragraphs by reference.

173. Under the color of state law, Defendants unlawfully deprived Christ Kingdom and Pastor Wallace-Searcy of the equal protection of the laws in violation of the Fourteenth Amendment of the United States

Constitution when they facilitated the illegal eviction of Pastor Wallace-Searcy and the church members and the illegal conversion of their property because of the church members' race.

174. Neither One Alliance nor LBC2 had an order of possession or any other valid legal document entitling them to remove the church members and convert the church property.

175. The Winston-Salem Police Department worked together with LBC2 and One Alliance to unlawfully take the property through the specific actions of Hrebener, Doe 1, and McElroy, encouraging and enabling them through the entire process. Because of the joint participation of the Winston-Salem Police Department in the illegal conduct of LBC2, One Alliance, Hrebener, Doe 1, and McElroy, such conduct occurred under the color of state law.

176. Pastor Wallace-Searcy and the other church members, intimidated by the presence of the officers and fearing their imminent arrest, acquiesced to the Defendants' illegal demands that they gather any belongings and leave the property.

177. Pastor Wallace-Searcy and Christ Kingdom were targeted by One Alliance, McElroy, LBC2, Doe 1, and Hrebenar based on the race of the church members, and the Winston-Salem Police Department facilitated this illegal behavior based on the race of the church members.

178. Winston-Salem failed to adopt clear policies and failed to properly train and supervise its officers about the requirement to apply state laws equally to all citizens regardless of race and the danger of permitting racial bias to color decision making. This failure to train and supervise was a proximate cause of the harm suffered by Plaintiffs.

179. Winston-Salem also ratified the unconstitutional actions of Officer Kiser that, upon information and belief, were motivated by racial bias by the later willing participation of Officer Kiser's superior officer, Sgt. C.S. Sloan, in the illegal eviction.

180. Plaintiffs are entitled to their reasonable attorneys' fees and damages for Defendants' violation of Section 1983.

#### **NINTH CAUSE OF ACTION**

#### **42 U.S.C. § 1983 – Unreasonable seizure in violation of the Fourth Amendment of the United States Constitution (Against all Defendants)**

181. Plaintiffs incorporate all preceding paragraphs by reference.

182. Under the color of state law, Defendants unreasonably seized the property of Christ Kingdom and Pastor Wallace-Searcy in violation of the Fourth Amendment of the United States Constitution.

183. Neither One Alliance nor LBC2 had an order of possession or any other valid legal document entitling them to remove the church members and convert the church property.

184. The Winston-Salem Police Department worked together with LBC2 and One Alliance to unlawfully, and therefore unreasonably, take the property through the specific actions of Hrebener, Doe 1, and McElroy, encouraging and enabling them through the entire process. By aiding One Alliance and LBC2 in this process, the Winston-Salem Police Department unreasonably seized the Church's property. Because of the joint participation of the Winston-Salem Police Department in the illegal conduct of LBC2, One Alliance, Hrebener, Doe 1, and McElroy, such conduct occurred under the color of state law.

185. Pastor Wallace-Searcy and the other church members, intimidated by the presence of the officers and fearing their imminent arrest, acquiesced to the Defendants' illegal demands that they gather any belongings and leave the property.

186. Winston-Salem failed to adopt clear policies and failed to properly train and supervise its officers about the proper processes for foreclosure and eviction. This failure to train and supervise was a proximate cause of the harm suffered by Plaintiffs.

187. Winston-Salem also ratified the unconstitutional actions of Officer Kiser by the later willing participation of Officer Kiser's superior officer, Sgt. C.S. Sloan, in the illegal eviction.

188. Plaintiffs are entitled to their reasonable attorneys' fees and damages for Defendants' violation of Section 1983.

**TENTH CAUSE OF ACTION**

**Conspiracy to deprive Plaintiffs of the equal protection of the laws,  
or of equal privileges and immunities under the laws  
42 U.S.C. § 1985(3)  
(Against All Defendants)**

189. Plaintiffs incorporate all preceding paragraphs by reference.

190. Defendants LBC2, One Alliance, Hrebenar, McElroy, Doe 1, Officer Kiser, and Winston-Salem conspired to deprive the Plaintiffs of the equal protection of the laws, or of equal privileges and immunities under the laws, when they engaged in the illegal eviction of Pastor Wallace-Searcy and the church members and the illegal conversion of their property. Pastor Wallace-Searcy and Christ Kingdom were targeted by One Alliance, McElroy, LBC2, Doe 1, and Hrebenar based on the race of the church members, and the Winston-Salem Police Department facilitated this illegal behavior based on the race of the church members.

191. Defendants Hrebenar, McElroy, Doe 1, and Kiser, acting individually and on behalf of LBC2, One Alliance, and Winston-Salem, took multiple acts in furtherance of the conspiracy in the course of the wrongful eviction.

192. Defendants' actions were in deliberate indifference to Plaintiffs' Fourteenth Amendment rights.

193. Plaintiffs were injured in their person and property by Defendants' actions.

194. Plaintiffs are entitled to their reasonable attorneys' fees and damages for Defendants' conspiracy in violation of Section 1985(3).

**DEFENDANT WINSTON-SALEM HAS WAIVED  
ITS SOVEREIGN IMMUNITY**

195. Plaintiffs incorporate all preceding paragraphs by reference.

196. Winston-Salem is liable for the conduct of Officer Kiser, Sgt. Sloan, and the other officers who responded.

197. Upon information and belief, Winston-Salem maintains insurance for the purpose of protecting it from the liability asserted in this Complaint.

198. Upon information and belief, at all relevant times, Officer Kiser, Sgt. Sloan, and the other police officers whose actions are complained of, were in uniform, on duty, and acting within the scope of their employment and in the furtherance of the business of Winston-Salem.

199. Upon information and belief, Winston-Salem has waived its sovereign immunity pursuant to N.C. Gen. Stat. § 160A-485.

## RELIEF SOUGHT

WHEREFORE, Plaintiffs ask this Court to:

1. Award Plaintiffs compensatory damages;
2. Award Plaintiffs punitive damages;
3. Award Plaintiffs exemplary damages under N.C. Gen. Stat. § 99A-2 in the amount of \$495,000.00;
4. Award Plaintiffs treble damages under Chapter 75 of the North Carolina General Statutes;
5. Award Plaintiffs the costs of this action and their reasonable attorneys' fees as permitted by statute; and
6. Grant to Plaintiffs such other and further relief as this Court may deem just and proper.



**PLAINTIFFS DEMAND A JURY TRIAL  
ON ALL ISSUES SO TRIABLE**

Dated: June 13, 2023

*/s/ James C. White*

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