


<b>UNITED STATES BANKRUPTCY COURT SOUTH CAROLINA</b>		<b>PROOF OF CLAIM</b>
Name of Debtor: <b>THE CLIFFS VALLEY &amp; HOSPITALITY GROUP, INC ET AL</b>	Case Number: <b>12-01220</b>	
NOTE: <i>Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.</i>		
Name of Creditor (the person or other entity to whom the debtor owes money or property): <b>LINDA L ARMSTRONG</b>		
Name and address where notices should be sent: <b>LINDA L ARMSTRONG 446-23 WHITETAIL DRIVE AURORA, OH 44202</b>		<b>COURT USE ONLY</b>
Telephone number: <b>(330) 931-1171</b> email: <b>WDA1932@AOL.COM</b>		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. <b>Court Claim Number:</b> _____ <i>(If known)</i> <b>Filed on:</b> _____
Name and address where payment should be sent (if different from above):		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Telephone number: _____ email: _____		
<b>1. Amount of Claim as of Date Case Filed:</b> \$ <u>75,000.00</u> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
<b>2. Basis for Claim:</b> <u>REIMBURSEMENT OF INITIATION DEPOSIT</u> (See instruction #2)		
<b>3. Last four digits of any number by which creditor identifies debtor:</b> _____	<b>3a. Debtor may have scheduled account as:</b> _____ (See instruction #3a)	<b>3b. Uniform Claim Identifier (optional):</b> _____ (See instruction #3b)
<b>4. Secured Claim</b> (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.  Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____  Value of Property: \$ _____  Annual Interest Rate _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		<b>Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:</b> \$ _____  <b>Basis for perfection:</b> _____  <b>Amount of Secured Claim:</b> \$ _____  <b>Amount Unsecured:</b> \$ _____
<b>5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.</b>		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).
<input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).
		<b>Amount entitled to priority:</b> \$ _____
Cliffs POC  00780		
<i>*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</i>		
<b>6. Credits.</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		

7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

- I am the creditor. I am the creditor's authorized agent. I am the trustee, or the debtor, or their authorized agent. I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: LINDA L ARMSTRONG
Title:
Company:
Address and telephone number (if different from notice address above):

Handwritten signature: Linda L. Armstrong
Date: 5/17/12

Telephone number: email:

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed...
Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim...
1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing...
2. Basis for Claim:
State the type of debt or how it was incurred...
3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account...
3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim...
3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here...

4. Secured Claim:
Check whether the claim is fully or partially secured...
5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a):
If any portion of the claim falls into any category shown...
6. Credits:
An authorized signature on this proof of claim serves as an acknowledgment...
7. Documents:
Attach redacted copies of any documents that show the debt exists...
8. Date and Signature:
The individual completing this proof of claim must sign and date it...

<b>A.</b> U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT <b>SETTLEMENT STATEMENT</b>	<b>B. TYPE OF LOAN:</b>				
	1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input checked="" type="checkbox"/> CONV. UNINS.	4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.
	6. FILE NUMBER: 04-275			7. LOAN NUMBER:	
	8. MORTGAGE INS CASE NUMBER:				

**C. NOTE:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.  
1.0 3/98 (04-275.PFD/04-275/13)

<b>D. NAME AND ADDRESS OF BUYER:</b> William D. Armstrong and Linda L. Armstrong, as Trustees of the Linda L. Armstrong Trust Agreement Dated October 16, 2001 44623 White Tail Drive	<b>E. NAME AND ADDRESS OF SELLER:</b> The Cliffs at Glassy, Inc. 301 Beaver Dam Road Travelers Rest, SC 29690	<b>F. NAME AND ADDRESS OF LENDER:</b> Carolina First Bank 104 S. Main Street, 6th Floor Greenville, SC 29601
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<b>G. PROPERTY LOCATION:</b> Lot 17, Cliffs Valley, Stone Creek Travelers Rest, SC 29690 Greenville County, South Carolina	<b>H. SETTLEMENT AGENT:</b> 56-2118702 Jeffrey H. Gray, Esq.  <b>PLACE OF SETTLEMENT</b> 1710 Highway 11 Landrum, SC 29356	<b>I. SETTLEMENT DATE:</b> July 27, 2004
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J. SUMMARY OF BUYER'S TRANSACTION		
<b>100. GROSS AMOUNT DUE FROM BUYER:</b>		
101. Contract Sales Price		469,000.00
102. Personal Property		
103. Settlement Charges to Buyer (Line 1400)		4,463.09
104.		
105.		
<i>Adjustments For Items Paid By Seller in advance</i>		
106. City/town Taxes	to	
107. County Taxes	to	
108. Homeowner's Dues	07/27/04 to 01/01/05	280.60
109.		
110. Full Golf Membership		75,000.00
111.		
112.		
<b>120. GROSS AMOUNT DUE FROM BUYER</b>		<b>548,743.69</b>
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:</b>		
201. Deposit or earnest money		2,500.00
202. Principal Amount of New Loan(s)		194,075.00
203. Existing loan(s) taken subject to		
204.		
205.		
206.		
207.		
208.		
209.		
<i>Adjustments For Items Unpaid By Seller</i>		
210. City/town Taxes	to	
211. County Taxes	01/01/04 to 07/27/04	3,558.29
212. Homeowner's Dues	to	
213.		
214.		
215.		
216.		
217.		
218.		
219.		
<b>220. TOTAL PAID BY/FOR BUYER</b>		<b>200,133.29</b>
<b>300. CASH AT SETTLEMENT FROM/TO BUYER:</b>		
301. Gross Amount Due From Buyer (Line 120)		548,743.69
302. Less Amount Paid By/For Buyer (Line 220)		( 200,133.29)
<b>303. CASH ( X FROM ) ( TO ) BUYER</b>		<b>348,610.40</b>

K. SUMMARY OF SELLER'S TRANSACTION		
<b>400. GROSS AMOUNT DUE TO SELLER!</b>		
401. Contract Sales Price		469,000.00
402. Personal Property		
403.		
404.		
405.		
<i>Adjustments For Items Paid By Seller in advance</i>		
406. City/town Taxes	to	
407. County Taxes	to	
408. Homeowner's Dues	07/27/04 to 01/01/05	280.60
409.		
410. Full Golf Membership		75,000.00
411.		
412.		
<b>420. GROSS AMOUNT DUE TO SELLER</b>		<b>544,280.60</b>
<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>		
501. Excess Deposit (See Instructions)		
502. Settlement Charges to Seller (Line 1400)		156,718.30
503. Existing loan(s) taken subject to		
504. Payoff of first Mortgage		
505. Payoff of second Mortgage		
506.		
507. (Deposit disb. as proceeds)		
508.		
509.		
<i>Adjustments For Items Unpaid By Seller</i>		
510. City/town Taxes	to	
511. County Taxes	01/01/04 to 07/27/04	3,558.29
512. Homeowner's Dues	to	
513.		
514.		
515.		
516.		
517. Partial Mortgage Release to Central Carolina Bank		281,400.00
518.		
519.		
<b>520. TOTAL REDUCTION AMOUNT DUE SELLER</b>		<b>441,676.59</b>
<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>		
601. Gross Amount Due To Seller (Line 420)		544,280.60
602. Less Reductions Due Seller (Line 520)		( 441,676.59)
<b>603. CASH ( X TO ) ( FROM ) SELLER</b>		<b>102,604.01</b>

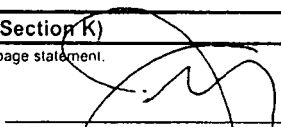
The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Seller

### L. SETTLEMENT CHARGES

L. SETTLEMENT CHARGES				PAID FROM BUYER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
<b>700. TOTAL COMMISSION Based on Price</b>		\$ 469,000.00 @ 12.0000 %	56,280.00		
<i>Division of Commission (line 700) as Follows:</i>					
701.	\$ 46,900.00	to Cliffs Real Estate, Inc.			
702.	\$ 9,380.00	to IMI Resort Properties, LLC			
703.	Commission Paid at Settlement				56,280.00
704.	to				
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN</b>					
801.	Loan Origination Fee	0.7497 %	to Pinnacle Financial Services, LLC	1,455.00	
802.	Loan Discount	%	to		
803.	Appraisal Fee		to Pinnacle Financial Services, LLC		POC \$325.00
804.	Credit Report		to		
805.	Lender's Inspection Fee		to		
806.	Wire Fee		to		
807.	Assumption Fee		to		
808.	Lender Fee		to Carolina First Bank	500.00	
809.	Processing Fee		to Pinnacle Financial Services, LLC	100.00	
810.	Co-Broker Fee		to IMI Resort Mortgage, LLC	485.00	
811.	Application Fee		to Carolina First Bank	75.00	
<b>900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE</b>					
901.	Interest From	07/27/04	to 08/01/04 @ \$ /day ( 5 days %)		
902.	Mortgage Insurance Premium for	months	to		
903.	Hazard Insurance Premium for	1.0 years	to		
904.					
905.					
<b>1000. RESERVES DEPOSITED WITH LENDER</b>					
1001.	Hazard Insurance	months @ \$	per month		
1002.	Mortgage Insurance	months @ \$	per month		
1003.	City/town Taxes	months @ \$	per month		
1004.	County Taxes	months @ \$	per month		
1005.	Homeowner's Dues	months @ \$	per month		
1006.		months @ \$	per month		
1007.		months @ \$	per month		
1008.		months @ \$	per month		
<b>1100. TITLE CHARGES</b>					
1101.	Commercial Carrier		to Pinnacle Title Agency	25.00	
1102.	Postage, Copies, Fax		to Pinnacle Title Agency		
1103.	Abstract or Title Search		to Pinnacle Title Agency		
1104.	Title Insurance Binder		to Pinnacle Title Agency	50.00	
1105.	Title Insurance Binder-Owners		to Pinnacle Title Agency	50.00	
1106.	Document Preparation		to Pinnacle Title Agency		
1107.	Attorney's Fees		to Jeffrey H. Gray	595.00	195.00
	<i>(includes above item numbers: )</i>				
1108.	Title Insurance		to Pinnacle Title Agency	995.75	
	<i>(includes above item numbers: )</i>				
1109.	Lender's Coverage	\$ 194,075.00	441.25		
1110.	Owner's Coverage	\$ 469,000.00	554.50		
1111.	Utilities Installation Fee		to Valley Water Escrow Fund		1,250.00
1112.	Utilities Installation Fee		to Valley Road Escrow Fund		2,500.00
1113.	POA Capital Contribution/2 mos		to Cliffs Valley Homeowners Assoc. Reserve	108.34	
1114.					
1115.	Release Fee		to Jeffrey H. Gray, Esq.		50.00
1116.					
1117.	Contribution		to The Cliffs Charity Fund		4,690.00
1118.	Tax Reserve Fund		JBA Tax Reserve Fund		
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES</b>					
1201.	Recording Fees: Deed \$	10.00;	Mortgage \$ 14.00;	Releases \$ 18.00	24.00 18.00
1202.	City/County Tax/Stamps: Deed		Mortgage		
1203.	State Tax/Stamps: Revenue Stamps	1,735.30;	Mortgage		1,735.30
1204.					
1205.					
<b>1300. ADDITIONAL SETTLEMENT CHARGES</b>					
1301.	Survey		to		
1302.	Pest Inspection		to		
1303.	Full Golf Membership		to Cliffs Golf & Country Club		75,000.00
1304.	Valley Social Athletic		Cliffs Golf & Country Club		
1305.	Prepaid Club Credit		to Cliffs Golf & Country Club		15,000.00
<b>1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)</b>				4,463.09	156,718.30

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

  
 Jeffrey H. Gray, Esq.  
 Settlement Agent



June 10, 2010

Mr. William Armstrong  
44623 White Tail Drive  
Aurora, OH 44202

Dear Mr. Armstrong,

It is with regret we write at this time to confirm acknowledgment of your **Cliffs Valley Golf Membership** resignation in conjunction with Section SC, Lot 17 with The Cliffs Golf and Country Club. Your resignation from the Club is effective upon receipt of your written resignation notice and membership privileges will cease effective May 19, 2010. The Membership Plan, obligates the resigned Member for payment of dues for the month in which the Club received the notice.

The refund of initiation deposit will be processed in accordance with the refund policies and procedures as outlined in the Master Membership Plan. If you need a copy of this document, please let us know. In summary, the refund policy is as follows:

- Your Valley Golf Membership refund of \$75,000 is placed in a priority waiting list based on the classification and location of your membership. The Master Membership Plan outlines the refund procedure and explains that such refund will be paid within a reasonable period of time following such re-issuance of the original membership, consistent with the Cliffs Clubs processing of accounts payable, and will be processed only on the basis of one (1) refund for every three (3) memberships issued by the Club from its previously unissued memberships within the same classification as the original membership.

It is important to mention that the Master Membership Plan does not provide for this resigned membership to be reactivated in the future. Specifically, Section 20 (I) states, "A Member that voluntarily resigns his/her membership may not reactivate the resigned membership in order to have the membership available to the resale purchaser of the resigned Member's property." Please consider this section of the Plan as it may impact you going forward.

I wish you the best in your future endeavors. If you have any questions regarding the procedures as outlined above or the restriction on availability of a Golf Membership for your resale buyer, please call the Membership Office at 864-660-1160.

Kind regards,

Nate Weyand  
Membership Director

The Cliffs Golf and Country Clubs  
Membership Office  
3598 Highway 11, Travelers Rest, South Carolina 29690  
(864) 660-1160  
[www.cliffscommunities.com](http://www.cliffscommunities.com)

*Armstrong*

WILLIAM D. ARMSTRONG  
446-23 WHITTAIL DRIVE • AURORA, OH 44202

AKRON OH 442

18 MAY 2012 PM 1 L



BMC GROUP INC  
ATTN: CLIFFS CLAIM PROCESSING  
PO BOX 3020  
CHANHASSEN MN 55317-3020

MAY 21 2012

POST OFFICE

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