

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM



Your Claim is Scheduled As Follows:  
Schedule/Claim ID: s14585  
AMOUNT/CLASSIFICATION:  
\$125,000.00 UNSECURED  
(CONTINGENT)

Name of Debtor:  
The Cliffs at Walnut Cove Golf & Country Club, LLC

Case Number:  
12-01227

NOTE: See reverse and attached for List of Debtors/Case Numbers/important details. Other than claims under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for Administrative Expenses arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503(a).

The amounts reflected above constitute your claim as scheduled by the Debtor or pursuant to a filed claim. If you agree with the amounts set forth herein, and have no other claim against the Debtor, you do not need to file this proof of claim EXCEPT as stated below.

If the amounts shown above are listed as Contingent, Unliquidated or Disputed, a proof of claim must be filed except as provided in the accompanying bar date notice.

If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

THIS SPACE IS FOR COURT USE ONLY

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number (if known):

Filed on: \_\_\_\_\_

Name of Creditor (the person or other entity to whom the debtor owes money or property) :

JULIA FOSSON & Sharon Ritchey

Name and address where notices should be sent:

29347866004429  
Fosson, Julia & Sharon Ritchey  
26 Brian Lane 32 Deep Creek Trail  
Avon, CT 06001 Arden, NC 28704

(change of Address)

Creditor Telephone Number (860) 930-8166 email: JFosson@me.com

Name and address where payment should be sent (if different from above):

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Payment Telephone Number ( ) email:

1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ \$125,000

If all or part of your claim is secured, complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. BASIS FOR CLAIM: GOLF & FULL FAMILY MEMBERSHIP CLIFFS WALNUT COVE  
(See instruction #2)

3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:

3a. Debtor may have scheduled account as:

(See instruction #3a)

3b. Uniform Claim Identifier (optional):

(See instruction #3b)

4. SECURED CLAIM: (See instruction #4)

Check the appropriate box if your claim is secured by a lien on property or a right of set off, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff:

Describe:

Real Estate  Motor Vehicle  Other \_\_\_\_\_

Value of Property: \$ \_\_\_\_\_

Annual Interest Rate: \_\_\_\_\_ %  Fixed or  Variable  
(when case was filed)

Amount of arrearage and other charges, as of time case filed, included in secured claim, if any: \$ \_\_\_\_\_

Basis for Perfection: RECEIVED

Amount of Secured Claim: \$ \_\_\_\_\_ MAY 24 2012

Amount Unsecured: \$ \_\_\_\_\_

BMC GROUP

5. Amount of Claim Entitled to Administrative Expense status under 11 U.S.C. § 503(b)(9) or 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 administrative expense or priority and state the amount.

Amount entitled to priority: \$ \_\_\_\_\_

Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9): \$ \_\_\_\_\_

You MUST specify the priority of the claim:

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).

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).

Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).

Wages, salaries, or commissions (up to \$11,725\*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).

Other - Specify applicable paragraph of 11 U.S.C. § 507(a) ( \_\_\_\_\_ ).

Value of goods received by the debtor within 20 days before the date of the bankruptcy filing - 11 U.S.C. § 503(b)(9).

\* 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.



6. CREDITS: 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 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 definition of "redacted").  
**DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.**  
 If the documents are not available, please explain:

**DATE-STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES OR EMAIL NOT ACCEPTED) so that it is actually received on or before 4:00 pm prevailing Eastern Time on May 31, 2012 for Non-Governmental Claimants OR on or before 4:00 pm prevailing Eastern Time on August 27, 2012 for Governmental Claimants.

**BY MAIL TO:**  
 BMC Group, Inc  
 Attn: Cliffs Claims Processing  
 PO Box 3020  
 Chanhassen, MN 55317-3020

**BY MESSENGER OR OVERNIGHT DELIVERY TO:**  
 BMC Group, Inc  
 Attn: Cliffs Claims Processing  
 18675 Lake Drive East  
 Chanhassen, MN 55317

**8. SIGNATURE:** (See instruction #8)

Check the appropriate box.

I am the creditor.       I am the creditor's authorized agent.  
 (Attach copy of power of attorney, if any.)       I am the trustee, or the debtor, or their authorized agent.  
 (See Bankruptcy Rule 3004.)       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: Sharon Ritchey & Julia Fosson  
 Title: \_\_\_\_\_  
 Company: \_\_\_\_\_

Address and telephone number (if different from notice address above):  
32 Deep Creek Trail  
Aspen NC 28704

[Signature]      5-17-12  
 (Signature)      (Date)  
[Signature]      5-17-12  
 (Signature)      (Date)

Telephone number: 860 930.8166      email: Jfosson@me.com

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.

**LIST OF DEBTORS:**

Case Name	Case Nbr
The Cliffs Club & Hospitality Group, Inc.	12-01220
CCHG Holdings, Inc.	12-01223
The Cliffs at Mountain Park Golf & Country Club, LLC	12-01225
The Cliffs at Keowee Vineyards Golf & Country Club, LLC	12-01226
The Cliffs at Walnut Cove Golf & Country Club, LLC	12-01227
The Cliffs at Keowee Falls Golf & Country Club, LLC	12-01229
The Cliffs at Keowee Springs Golf & Country Club, LLC	12-01230
The Cliffs at High Carolina Golf & Country Club, LLC	12-01231
The Cliffs at Glassy Golf & Country Club, LLC	12-01234
The Cliffs Valley Golf & Country Club, LLC	12-01236
Cliffs Club & Hospitality Service Company, LLC	12-01237

# THE CLIFFS COMMUNITIES

## REAL ESTATE SALE AND PURCHASE AGREEMENT

THIS REAL ESTATE SALE AND PURCHASE AGREEMENT (the "Agreement") made by and between the below-named seller (the "Seller") identified on the Seller's signature page below (the "Seller"), whose mailing address is as set forth on page 6, and the below-named purchaser (the "Purchaser") identified on the Purchaser's signature page below.

### Part I. Identifications

A. **The Lot and What is Included in Price.** The property to be purchased (the "Lot") is located in Section 3A, Lot 40, Cliffs at Walnut Cove

The Lot is listed for sale for \$ 660,000.00

The purchase of the Lot does not include a membership in the Golf and Country Club (the "Club"), which is reserved solely to its members in accordance with the use rights conferred by the Club Membership Plan for the categories and classifications of membership offered. Seller does not operate the Club. The Club is operated by The Cliffs Golf & Country Club, Inc. Seller will, however, discount the list price of the Lot by the below "Discount" if Purchaser agrees to acquire a membership, and Purchaser will pay that amount at Closing toward a membership.

Check one of the following:

JFS  (Initial)

If checked and initialed, Purchaser wishes to acquire a membership in the Club, either a Cliffs Family Membership or a Cliffs Golf Membership, and wishes to receive the property discount to the right (the "Discount"), and apply it toward the required membership deposit, and has attached hereto a signed Club Membership Addendum. While Purchaser is guaranteed the availability of a Club membership under the Membership Plan only if Purchaser acquires one within 30 days following Purchaser's Closing, Purchaser will receive the Discount only if the membership is acquired at the Closing. If this paragraph is checked and initialed, the Purchase Price in Paragraph B below is net of the Discount.

Discount:  
\$ 25,000.00

If checked and initialed, Purchaser does not wish to acquire a membership in the Club at this time. Purchaser understands that membership is subject to availability at the time Purchaser may wish to acquire one, and is not guaranteed. Purchaser will NOT receive any discount off the listed price of the Lot because Purchaser elects not to receive a membership.

(Initial)

B. **Payment of Purchase Price.** The "Purchase Price" is calculated and payable as follows:

Total Discounted Purchase Price: \$ 635,000.00

JFS (Initial)

(i)

**Discount Applied to Membership Deposit.** If checked and initialed, Purchaser has checked the first box in A above and wishes to acquire Full Family Membership privileges, paying at the Closing:

\$ 50,000.00

JFC (Initial)

(ii)

**Golf Membership, Initiation Deposit Add-on.** If checked and initialed, Purchaser has checked the first box in A above and wishes to upgrade to a Golf Membership by paying at the Closing an additional sum of:

\$ 75,000.00

(iii) **SUB-TOTAL, Purchase Price of Lot plus Membership Deposit Due at Closing**

\$ 760,000.00

(iv) **Initial Earnest Money Deposit.** An Earnest Money Deposit paid to Escrow Agent herewith

\$ 10,000.00

(v) **Additional Deposit Due.** An additional Earnest Money Deposit due Escrow Agent within 0 days of the Effective Date hereof.

\$ 0.00

(vi) **Balance at Closing.** The balance required at Closing in cash or certified funds (not including all of Purchaser's closing costs, prepaids, and escrow deposits)

\$ 750,000.00



### Club Membership Addendum

THIS CLUB MEMBERSHIP ADDENDUM executed simultaneously herewith is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") and below identified "Purchaser" (the "Purchaser") of the below identified single-family property (the "Property") in the Cliffs community also identified below (the "Community"), and is an amendment of and addition to that certain Real Estate Sale and Purchase Agreement (the "Agreement") between the Seller and Purchaser.

Purchaser: Julia Fosson Community: Cliffs at Walnut Cove  
Sharon Ritchey Section: 3A  
 Agreement Date: \_\_\_\_\_ Property #: 40  
 Property List Price \$ 660,000.00  
 "Discount": (\$ 25,000.00)  
 Discounted Purchase Price \$ 635,000.00

Family Membership Privileges, Initiation Deposit.  
 If checked, Purchaser will apply at Closing the amount of the **Discount** given for Cliffs Family Membership privileges, and pay the total required deposit of: \$ 50,000.00

Golf Membership, Initiation Deposit.  
 If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of: \$ 75,000.00

Total Membership Deposit To Be Paid at Closing: \$ 125,000.00

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by the **Discount** set forth above and in the Agreement. Purchaser wishes to receive the **Discount** and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

(a) **5-Year Vesting in Full Refundability.** The Club's Membership Plan provides that upon resignation from the Club, a resigned member is normally entitled to receive 100% of the initiation deposit paid to the Club. However, because Seller is agreeing to discount the price of the Property, then the **Discount** that Purchaser will apply to the membership shall only be refunded to the Purchaser-member upon a resignation occurring more than five (5) years following the Property closing with Seller, or upon a resale closing within the five (5) -year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by

Purchaser in excess of the **Discount** so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting period; but, the **Discount** applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership of equal or higher category of Membership privileges, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.

**Box #1. PURCHASER ELECTS TO RECEIVE A CLIFFS FAMILY MEMBERSHIP. THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS SHOWN OPPOSITE THE FIRST CHECKBOX ABOVE.** By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 1 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. The **Discount** received by Purchaser at the Property closing will be applied to a Cliffs Family Membership. This represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the **Discount** off the Property's price. The Purchaser must deliver the "Total Membership Deposit To Be Paid at Closing" stated above and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the **Discount** from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

\_\_\_\_\_  
For Purchaser

**Box #2. PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP. THE DEPOSIT FOR A CLIFFS GOLF MEMBERSHIP IS THE SUM OF THE AMOUNTS SHOWN OPPOSITE BOTH THE FIRST CHECKBOX AND THE SECOND CHECKBOX ABOVE.** By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 1 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. This represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the "Total Membership Deposit To Be Paid at Closing" stated above and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the **Discount** from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's **Discount** at the Property's closing. Purchaser should remember that when Purchaser goes to sell the Property, the resale Purchaser is only guaranteed the ability to get a Cliffs Golf Membership if the Purchaser has one to resign back to the Club (and receive a refund of the initiation deposit) so the Club can immediately re-issue it to Purchaser's resale buyer at the resale closing (subject to Purchaser's resale buyer completing an application and paying the required membership deposit at the resale closing).

*JK SK*  
\_\_\_\_\_  
For Purchaser

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a commercial, private golf and country club facility within or in proximity to the boundaries of the Community. Purchaser further acknowledges that the Club's recreational facilities are owned by a related third party and operated by or in concert with its affiliate, The Cliffs Golf & Country Club, Inc., as a commercial business, and not as a non-profit enterprise, that Purchaser will have a license to use the facilities as herein described if Purchaser acquires a membership to do so, and that neither Purchaser nor any property owners' association of which Purchaser may be a member has or will receive any ownership interest in the Club's facilities by virtue of

Purchaser's acquisition of the Property or membership in any such property owners' association. The Club may, but will not be required to, add additional recreational facilities in the future. The Club operates and offers membership opportunities pursuant to a published Membership Plan, which the Club may supplement, amend, delete and change in its sole discretion at any time. If Purchaser wishes to become a member, Purchaser should take the time to read the Membership Plan prior to acquiring a membership.

(a) **Golf Membership.** The ability to acquire permanent golf privileges is reserved to those who elect to acquire a Cliffs Golf Membership. Acquisition of a Cliffs Golf Membership is subject to availability at the time Purchaser may wish to acquire one, but Purchaser is guaranteed the availability of a Cliffs Golf Membership if the Purchaser's application and the required deposit are received within thirty (30) days following the Property Closing. If the Purchaser wants its resale buyer of the Property in a resale transaction to be guaranteed the ability to acquire a Cliffs Golf Membership, following the Purchaser's membership resignation and the Club's re-issuance of the resigned membership to its resale buyer at the resale closing pursuant to the requirements of the Club's Membership Plan, the Purchaser must acquire the Cliffs Golf Membership. Please note however, because Purchaser is receiving the Discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. The "Total Membership Deposit To Be Paid at Closing" stated above (which includes the Property Discount) is due on or before the Property Closing. A Golf Membership is subject to availability at all times as determined by the Club. If Purchaser has elected to receive a Cliffs Golf Membership by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, Purchaser will be issued a Cliffs Golf Membership in the Club. Purchaser's monthly membership dues will commence with the issuance of the membership, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time.

(b) **Cliffs Family Membership.** If Purchaser has elected to receive a Cliffs Family Membership by checking Box #1 on page 2 of this Club Membership Addendum executed simultaneously herewith, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, Purchaser will be issued a Cliffs Family Membership in the Club. Monthly membership dues will commence with the issuance of the membership to Purchaser, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time. Please note however, because Purchaser is receiving the Discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. The "Total Membership Deposit To Be Paid at Closing" stated above (which includes the Property Discount) is due on or before the Property Closing.

(c) **Club's Membership Plan.** The governing documents of the Club require that upon resale of the Property, all of Purchaser's membership privileges in the Club must be resigned. When Purchaser sells the Property, and so long as Purchaser is a Club member in good standing, Purchaser will be entitled to a refund equal to one hundred percent (100%) of the initiation deposit made for membership in the Club, subject to vesting with regard to the Discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes a membership, he or she will have to acquire a membership directly from the Club at the then prevailing rates for the membership desired, and subject to availability and the rules and regulations of the Club. The membership deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. As previously indicated, a Cliffs Golf Membership is not guaranteed to be available to Purchaser's resale buyer if Purchaser does not acquire one at Purchaser's property closing pursuant to subparagraph (a) above.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

X Julie C. [Signature]  
7 Shore Ridge [Signature]

X July 02 2007  
Month Day Year

Seller:

The Cliffs at Walnut Cove, LLC  
By [Signature]

Its: TREASURER  
7 10 07  
Month Day Year

For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.  
By [Signature]

Its: TREASURER  
7 10 07  
Month Day Year

Fosson/Fitchey  
32 Deep Creek Trail  
Arden, NC 28704

USA FIRST CLASS FOREVER



RECEIVED

MAY 24 2012

BMC GROUP

BMC Group Inc  
Attn: Cliffs Claim Processing  
PO Box 3020  
Chanhassen, MN 55317-3020

553173020





